No. S212302
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF ENCOREFX INC.

PETITIONER

ORDER MADE AFTER APPLICATION
(Creditors' Meeting Order)

BEFORE	) THE HONOURABLE) MADAM JUSTICE FITZPATRICK	)	APRIL 8, 2021

ON THE APPLICATION of Ernst & Young Inc. its capacity as Monitor of EncoreFX Inc. ("**EncoreFX**") and not in its personal capacity, coming on for hearing via MS Teams at the Law Courts, 800 Smithe Street, in the City of Vancouver, in the Province of British Columbia on April 8, 2021 (the "**Order Date**"); **AND ON READING** the First Report of Ernst and Young Inc. ("**EY**") in its role as the Monitor (the "**Monitor**") of EncoreFX dated effective March 10, 2021; **AND ON HEARING** William E.J. Skelly, counsel for the Monitor, and those other counsel listed in **Appendix "A"** hereto; **AND PURSUANT TO** the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), the British Columbia Supreme Court Civil Rules, and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS AND DECLARES THAT:

SERVICE

1. The time for service of the Notice of Application for this Order is hereby abridged and validated so that this Notice of Application is properly returnable today and further service is hereby dispensed.

DEFINITIONS

2. All capitalized terms used herein and not otherwise defined in this Order (the "**Creditor's Meeting Order**") shall have the meaning ascribed to them in the consolidated plan of compromise, arrangement and reorganization dated April 6, 2021 (the "**Plan**"), substantially in the form attached hereto as **Appendix "B"**, and the following terms in this Creditor's Meeting Order shall have the following meanings:

   a. **"Chair"** has the meaning ascribed to it in paragraph 21 hereof;

   b. **"Creditor's Meeting"** has the meaning ascribed to it in Schedule "A" of the Plan;

   c. **"Electronic Meeting Protocol"** means the protocol for conducting the Meeting via video-conferencing technology, substantially in the form attached hereto as **Appendix "C"**;

   d. **"Known Creditors"** means:

      i. Creditors who have delivered Proofs of Claim (as defined in Schedule "A" of the Plan) to the Monitor;

      ii. Creditors which the books and records of EncoreFX disclose were owed money by EncoreFX as of March 30, 2020, which obligation remains unpaid (in whole or in part);

      and "**Known Creditor**" means any of them;

   e. **"Meeting Date"** means May 11, 2021 subject to any adjournment, postponement, rescheduling, or further order of this Court;

   f. **"Meeting Materials"** has the meaning ascribed to it paragraph 13 hereof;

   g. **"Monitor's Website"** means www.ey.com/ca/EncoreFX;

h. **"Newspaper Notice of Meeting"** means a notice of this Creditor's Meeting Order, the Creditor's Meeting and the Meeting Date, to be published in accordance with paragraph 12 hereof;

i. **"Notice of Meeting to Affected Creditors"** means a notice of this Creditor's Meeting Order, the Creditor's Meeting and the Meeting Date, which shall be substantially in the form attached hereto as **Appendix "D"**;

j. **"Plan Information Letter"** means the form of plan information letter to Affected Creditors regarding the term of the Plan, which shall be substantially in the form attached hereto as **Appendix "E"**;

k. **"Proxy"** or **"Proxies"** means the form of proxy, which shall be substantially in the form attached hereto as **Appendix "F"**;

l. **"Resolution"** means the resolution to approve the Plan and the transactions contemplated thereby and which will be voted on by the Creditors at the Creditor's Meeting; and

m. **"Sanction Order Application"** has the meaning ascribed to it paragraph 44 hereof.

3. All references to time herein shall mean Pacific Daylight Time, and any reference to an event occurring on a Business Day shall mean prior to 4:00 pm on such Business Day, unless otherwise indicated herein. Any event that occurs on a day that is not a Business Day shall be deemed to occur on the next Business Day.

4. Dollar amounts referenced in this Creditor's Meeting Order are expressed in Canadian dollars unless otherwise specified.

5. All references to the singular herein include the plural and the plural include the singular.

PLAN OF ARRANGEMENT

6. The Plan is hereby accepted for filing, and the Petitioner is hereby authorized to seek approval of the Plan in the manner set forth herein.

7. Each of the Appendices to this Creditor's Meeting Order are hereby approved in substantially the forms attached hereto.

8. Before and during the Creditor's Meeting, the Monitor, with the consent of Wrede and the Gustavson Parties, may at any time, and from time to time, amend the Plan by written instrument and shall post such amendment on the Monitor's Website. The Monitor will advise all Affected Creditors present at the Creditor's Meeting of the details of any such amendment prior to the vote being taken to approve the Resolution.

9. The Monitor shall, as soon as practicable, post on the Monitor's Website any modification, amendment, variation or supplement to the Plan, and forthwith provide notice of such posting to the Service List.

CLASSIFICATION

10. For the purposes of considering and voting on the Resolution, there shall be three classes of Affected Creditors, as defined in paragraph 3.1 of the Plan:

a. Secured Creditor;

b. Property Claimants (which excludes the Margin Deposit Claimants; and

c. General Unsecured Creditors.

NOTICE OF MEETING AND DELIVERY OF MATERIALS TO AFFECTED CREDITORS

11. The Monitor is hereby authorized to convene, hold and conduct the Creditor's Meeting on **May 11, 2021** at **3:00 p.m.** (Pacific Daylight Time), in accordance with the Electronic Meeting Protocol, for the purpose of considering and, if deemed advisable, passing the Resolution, unless the Chair decides to adjourn, postpone or otherwise reschedule to Creditor's Meeting in accordance with this Creditors Meeting Order.

12. The Newspaper Notice of Meeting shall be published by the Monitor for one Business Day in the *Vancouver Sun*, *Times-Colonist* (Victoria), and *The Globe and Mail* (National Edition), as soon as practicable following the issuance of the Creditor's Meeting Order.

13. By no later than April 13, 2021 the Monitor shall publish the following documents (collectively, the "**Meeting Materials**") on the Monitor's Website:

a. a copy of this Creditor's Meeting Order;

b. a copy of the Plan;

c. a copy of the Monitor's First Report, if not already published to the Monitor's Website;

d. a copy of the proposed Newspaper Notice of Meeting;

e. a copy of the Notice of Meeting to Affected Creditors;

f. a copy of the Proxy; and

g. a copy of the Plan Information Letter.

14. The Monitor is hereby authorized to vary, amend, modify or supplement any of the Meeting Materials (other than the Plan, which may only be modified, amended or supplemented in accordance with the terms of this Creditor's Meeting Order and the Plan), and the Monitor shall distribute or make available any such amended form by posting it on the Monitor's Website.

15. By no later than April 13, 2021, the Monitor shall send to each Known Creditor copies of: (a) the Notice of Meeting to Affected Creditors; (b) the Proxy; and (c) the Plan Information Letter.

16. The materials referred to in paragraph 15 hereof shall be sent by the Monitor to each Known Creditor by ordinary mail, courier, email or fax to the address appearing on the Known Creditor's Proof of Claim delivered to the Monitor pursuant to the Claims Process Order. If a Known Creditor has not delivered a Proof of Claim to the Monitor, then the Monitor may send the materials referred to in paragraph 15 to the last address of the Known Creditor shown in EncoreFX's book and records.

17. The publications referred to in paragraphs 12 and 13 hereof, and transmission and delivery in accordance with paragraph 16 hereof, shall constitute good and sufficient service of the Meeting Materials on all Persons who may be entitled to receive notice thereof, or of these proceedings, or who may wish to be present in person or represented by proxy at the Creditor's Meeting, or who may wish to appear in these proceedings, and no other form of notice or service needs to be made on such Persons, and no other document or material

needs to be served on such Persons in respect of these proceedings, the Plan, and the Creditor's Meeting.

18. The accidental failure to transmit or deliver the Meeting Materials by the Monitor in accordance with this Creditor's Meeting Order or the non-receipt of such materials by any Person entitled to delivery of such materials shall not invalidate the passing of the Resolution or any other proceedings taken at the Creditor's Meeting.

CONDUCT AT CREDITOR'S MEETING

19. The amount of an Affected Claim which may be voted (or is deemed to have been voted) by an Affected Creditor shall be the amount of the Proven Voting Claim.

20. For purposes relating to voting on the Plan and calculating distributions thereunder, Affected Claims denominated in currencies other than Canadian Dollars in any Proof of Claim delivered to the Monitor, shall be converted by the Monitor to Canadian Dollars in accordance with paragraph 1.6 of the Plan.

21. A representative of the Monitor shall preside as the chair (the "**Chair**") of the Creditor's Meeting, and, subject to this Creditor's Meeting Order or any further order of this Court, shall decide all matters relating to the conduct of the Creditor's Meeting.

22. The Monitor may appoint scrutineers for the supervision and tabulation of the attendance, quorum and votes cast at the Creditor's Meeting and any person to act as secretary at the Creditor's Meeting.

23. The only Persons entitled to attend and speak at the Creditor's Meeting are: (a) the Monitor and its legal counsel and advisors and (b) those Persons, including the holders of Proxies, entitled to vote at the Creditor's Meeting and their legal counsel and advisors. Any other Person may be admitted on invitation of the Chair.

24. In order to be voted at the Creditor's Meeting, Proxies must be received by the Monitor by email at jason.eckford@parthenon.ey.com, by fax at (604) 899-3530 or by delivery to the Monitor's office located at Pacific Centre, 700 West Georgia Street, P.O Box 10101,

Vancouver, BC., V7Y 1C7 (Attention: Jason Eckford) prior to 9:00 am (Pacific Daylight Time) on May 11, 2021.

25. In the absence of instruction to vote in favour of or against the Resolution, any Proxies received by the Monitor in accordance with paragraph 24 hereof shall be deemed to include instructions to vote in favour of the Resolution.

26. The quorum of the Affected Creditor Class required at the Creditor's Meeting shall be one (1) voting Creditor present in person or by Proxy and entitled to vote at the Creditor's Meeting. If the requisite quorum is not present at the Creditor's Meeting, then the Creditor's Meeting shall be adjourned by the Chair to such date, time and place as may be decided by the Chair in his or her sole discretion. The Chair shall decide on the manner of giving notice to the Affected Creditor Class of any rescheduled Meeting and may, if he or she deems it appropriate, restrict such notice to a notice posted on the Monitor's Website.

27. The Chair is hereby authorized to adjourn, postpone or otherwise reschedule the Creditor's Meeting, or the vote of the Affected Creditor Class scheduled to occur at the Creditor's Meeting, on one or more occasions to such time(s), date(s) and place(s) as the Chair deems necessary or desirable (without the need to first convene the Creditor's Meeting for the purpose of any adjournment, postponement or other rescheduling thereof). The Chair shall decide on the manner of giving notice to the Affected Creditors of the rescheduled Creditor's Meeting or vote and may, if he or she deems it appropriate, restrict such notice to a notice posted on the Monitor's Website.

VOTING PROCEDURE

28. At the Creditor's Meeting, the Chair shall direct the votes with respect to the Resolution and any amendments, variations or supplements to the Plan that are made in accordance with the terms thereof.

29. The vote required to pass the Resolution and any other resolution to be voted on at the Creditor's Meeting to approve, amend, vary or supplement the Plan, shall be decided by the affirmative vote of at least the required majority of Creditors pursuant to section 6 of the CCAA ("**Required Majority of Creditors**") of the votes cast on such resolution in

accordance with the Electronic Meeting Protocol, and any other matter submitted for a vote at the Creditor's Meeting shall be decided by a simple majority of votes cast in accordance with the Electronic Meeting Protocol.

30. The only Persons entitled to vote at the Creditor's Meeting shall be Affected Creditors and their Proxy holders. All Convenience Creditors are irrevocably deemed to vote in favour of the Resolution.

31. The Monitor shall record and tabulate the votes cast at the Creditor's Meeting.

32. For the purposes of counting and tabulating the votes at the Creditor's Meeting, each Affected Creditor shall have one (1) vote for its Proven Voting Claim and the weight attributed to such vote (for the purposes of determining the Required Majority of Creditors) shall be equal to the dollar value of such Proven Voting Claims (if necessary, converted into Canadian Dollars in accordance with paragraph 20 hereof).

33. Any Affected Claim acquired by a transferee or assignee shall not merge, consolidate, or combine with any other Affected Claim held or acquired by such transferee or assignee.

34. Affected Claims shall not include fractional numbers and shall be rounded down to the nearest whole dollar amount without compensation.

35. At the Creditor's Meeting, for each Affected Creditor's Disputed Claim, the Monitor shall keep a separate record of votes cast by anyone entitled to vote holding Disputed Claims. The votes cast in respect of any Disputed Claim shall not be counted for any purpose unless, until and only to the extent that such Disputed Claim is finally determined to be a Proven Voting Claim in accordance with the Claims Process Order.

36. No Affected Creditor shall be entitled to split or subdivide an Affected Claim for purposes of voting or distribution or for the purposes of being treated as a Convenience Creditor.

NOTICES AND COMMUNICATIONS

37. Any notices or communication to be made or given hereunder to the Monitor shall refer to the Plan and shall be in writing in substantially the form, if any, provided for in this

Creditor's Meeting Order and will be sufficiently made or given only if delivered by prepaid registered mail, courier, personal delivery, or e-mail addressed to:

Ernst & Young Inc.
700 West Georgia Street
Vancouver, BC V7Y 1C7
Email: jason.eckford@parthenon.ey.com
Facsimile: 604.899.3530
Attention: Jason Eckford

or to such other address or e-mail as any party may from time to time notify the others in accordance herewith. Any such notice or communication delivered by a Creditor shall be deemed to be received on actual receipt thereof by the Monitor before 4:00 p.m. (Pacific Daylight Time) on a Business Day or, if delivered after 4:00 p.m. (Pacific Daylight Time), on the next Business Day.

38. The unintentional failure by the Monitor to give any notice contemplated hereunder to any particular Affected Creditor shall not invalidate the Plan or any action taken by any Person pursuant to the Plan.

39. Any notices or communications to be made or given hereunder by the Monitor to an Affected Creditor may be sent by fax, e-mail, ordinary mail, registered mail or courier. An Affected Creditor shall be deemed to have received any document sent pursuant to the Plan four (4) Business Days after the document is sent by ordinary or registered mail and on the Business Day immediately following the day on which the document is sent by courier, e-mail or fax transmission. Documents shall not be sent by ordinary or registered mail during a postal strike or work stoppage of general application.

40. Notices or communications may be mailed to an Affected Creditor as follows:

a. the addresses set forth on the Proofs of Claim;

b. if no Proof of Claim has been filed and a Claim Amount Notice was sent to the Affected Creditor, the address at which the Claim Amount Notice was delivered;

c. the addresses set forth in any written notice of address change delivered to the Monitor after the date of any related Proof of Claim; or

d. the last known address of the Affected Creditor shown in EncoreFX's books and records.

41. If, during any period in which notice or other communications are being given pursuant to this Creditor's Meeting Order, a postal work stoppage of general application should occur, such notice or other communications sent by ordinary mail and then not received shall not, absent further Order of this Court, be effective and notices and other communications given hereunder during the course of any such work stoppage of general application shall only be effective if given by courier, personal delivery, facsimile transmission or email in accordance with this Creditor's Meeting Order.

42. In the event that this Creditor's Meeting Order is later amended by further order, the Monitor shall post such further order on the Monitor's Website and the Monitor may serve such further order on the Service List and such posting and service shall constitute adequate notice to those creditors of the amendments made.

SANCTION ORDER APPLICATION

43. As soon as practicable following the Creditor's Meeting, the Monitor shall report to this Court on: (a) the voting results of the Affected Creditor Class with respect to the approval of the Resolution; and (b) any other matter the Monitor considers relevant with respect to the Creditor's Meeting or the application for the Sanction Order.

44. If the Plan is approved by the Required Majority of the Affected Creditor Class, the Monitor shall bring an application (the "**Sanction Order Application**") for the Sanction Order as contemplated in paragraph 9.1 the Plan, which application shall be returnable before this Court at 10:00 a.m. (Pacific Daylight Time) on May 21, 2021 or as soon thereafter as the matter can be heard.

45. A copy of the Notice of Application seeking the Sanction Order shall be published on the Monitor's Website as soon as practicable.

46. Publication of the Notice of Meeting to Affected Creditors and this Creditor's Meeting Order pursuant to paragraphs 12 and 13 hereof and delivery of the Meeting Materials pursuant to paragraphs 14 and 15 hereof shall constitute good and sufficient service of

notice of the Sanction Order Application upon all Persons who may be entitled to receive such service and no other form of service needs to be made and no other materials need to be served on such Persons in respect of the Sanction Order Application.

47. Any party who wishes to oppose the Sanction Order Application shall serve on counsel for the Petitioner, counsel for the Monitor, and all parties on the Service List, by no later than 12:00 p.m. (Pacific Daylight Time) on May 10, 2021: (a) an application response in the form prescribed by the British Columbia Supreme Court Civil Rules setting out the basis for such opposition; and (b) a copy of the materials to be relied upon to oppose the Sanction Order Application.

48. If the Sanction Order Application is adjourned, postponed or otherwise rescheduled, only those Persons listed on the Service List or that have filed and served an application response in accordance with paragraph 47 hereof are required to be served with notice of the adjourned, postponed or otherwise rescheduled date.

GENERAL PROVISIONS

49. This Court requests the aid and recognition of other Canadian and foreign Courts, tribunals, regulatory or administrative bodies to act in aid of and to be complementary to this Court in carrying out the terms of this Creditor's Meeting Order where required. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Monitor as an officer of this Court, as may be necessary or desirable to give effect to this Creditor's Meeting Order.

50. The Monitor shall use reasonable discretion as to the adequacy of completion and execution of any document completed and executed pursuant to this Creditor's Meeting Order and may waive strict compliance with the requirements of this Creditor's Meeting Order as to the completion, execution and delivery, including with respect to the timing of such delivery, of any documents.

51. Subject to further Order of this Court, in the event of any conflict, inconsistency, ambiguity or difference between the provision of the Plan and this Creditor's Meeting Order, the terms, conditions and provision of the Plan shall govern and be paramount, and any such

provision of this Creditor's Meeting Order shall be deemed to be amended to the extent necessary to eliminate any such conflict, inconsistency, ambiguity or difference.

52. The Monitor may apply to this Court from time to time for directions from this Court with respect to this Creditor's Meeting Order, including with respect to the Creditor's Meeting and Appendices to this Creditor's Meeting Order, or for such further order(s) as either of them may consider necessary or desirable to amend, supplement or replace this Creditor's Meeting Order, including any Appendix hereto.

53. Endorsement of this Creditor's Meeting Order by counsel appearing on this application, other than counsel for the Monitor, is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER:

Signature of : William E. J. Skelly
Lawyer for the Monitor

BY THE COURT:

REGISTRAR

CHECKED

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APPENDIX "A"
(to the Creditor's Meeting Order)

List of Counsel

Name of Counsel	Party Represented
William E.J. Skelly	Counsel for the Monitor
Heather E. Doi	Counsel for Andreas Wrede
Lee Nicholson	Counsel for Andreas Wrede
Patrick Harnett	Counsel for AFD Petroleum Ltd.
Timothy Louman-Gardiner	Counsel for Itex Inc.
Peter Vaartnou	Counsel for Gustavson Capital Corporation
Brandon Barnes Trickett	Counsel for Gustavson Capital Corporation

APPENDIX "B"
(to the Creditor's Meeting Order)

Plan of Arrangement

No: S212302
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF ENCOREFX INC.

PETITIONER

PLAN OF COMPROMISE AND ARRANGEMENT OF ENCOREFX INC.

TABLE OF CONTENTS

ARTICLE I – DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Plan (including the Schedules hereto), unless otherwise stated or unless the subject matter or context otherwise requires, capitalized words used have the meanings ascribed to them in Schedule "A".

1.2 Article and Section Reference

The terms "this Plan", "hereof", "hereunder", "herein", and similar expressions refer to this Plan, and not to any particular article, section, paragraph, or subparagraph of this Plan, and include any variations, amendments, modifications or supplements hereto. In this Plan, a reference to an article, section, subsection, clause or paragraph shall, unless otherwise stated, refer to an article, section, paragraph, or subparagraph of this Plan.

1.3 Extended Meanings

In this Plan, where the context so requires, any word importing the singular number shall include the plural and vice versa, and any word or words importing gender shall include all genders.

1.4 Interpretation Not Affected by Headings

The division of this Plan into article, section, paragraph, and subparagraph and the insertion of a table of contents and headings are for convenience of reference and shall not affect the construction or interpretation of this Plan.

1.5 Inclusive Meaning

As used in this Plan, the words "include", "includes", "including" or similar words of inclusion means, in any case, those words as modified by the words "without limitation" and "including without limitation"; so that references to included matters shall be regarded as illustrative rather than exhaustive.

1.6 Currency

a. Unless otherwise stated herein, all references to currency in this Plan are to lawful money of Canada. For the purposes of voting or distribution, any Affected Claim shall be denominated in Canadian Dollars (“**CAD**”) and all distributions under this Plan shall be paid in CAD. Except as it relates to Paragraph 1.6b of this Plan, any Affected Claim in United States Dollars (“**USD**”) must be converted to Canadian Dollars as follows: (i) if amounts are to be determined as of the Date of Bankruptcy, then such amount shall be regarded as having been converted at the rate of exchange of $1.00 USD = $1.4156 CAD; and (ii) if amounts are to be converted as of a date other than the Date of Bankruptcy, including in respect of the ITM Creditors as described at Paragraph 1.6b of this Plan, then the Monitor or the CCAA Court shall determine the conversion rate.

b. The USD / CAD conversion rates of the Affected Claims of any ITM Creditor shall be calculated as at the date that the Trustee closed out that ITM Creditor's hedged transaction(s).

1.7 Statutory References

Any reference in this Plan to a statute includes all regulations made thereunder, all amendments to such statute or regulations in force from time to time to the date of this Plan and any statute or regulation that supplements or supersedes such statute or regulation to the date of this Plan.

1.8 Successors and Assigns

The rights, benefits and obligations of any Person named or referenced in this Plan shall be binding on and shall enure to the benefit of any heir, administrator, executor, legal personal representative, successor or assign, as the case may be, or a trustee, receiver, interim receiver, receiver and manager, liquidator or other Person acting on behalf of such Person, as permitted hereunder.

1.9 Governing Law

This Plan, and each of the documents contemplated or delivered under or in connection with this Plan, shall be governed by and construed and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein, without regard to any conflict of law provision that would require the application of the law of any other jurisdiction. Any dispute or issue in connection with, or related to the interpretation, application or effect of this Plan and all proceedings taken in connection with this Plan and its revisions shall be subject to the exclusive jurisdiction of the CCAA Court.

1.10 Determinative Document

To the extent possible, this Plan shall be read and interpreted in a manner consistent with the Term Sheet. Where a direct conflict or dispute arises in interpretation, application or any other matter as between the Plan and any other document attempting to explain or summarize the content of the Plan, including the Term Sheet, the Plan shall be determinative for all matters in dispute.

1.11 Severability of Plan Provisions

If any provision of this Plan is or becomes illegal, invalid or unenforceable on or following the Plan Implementation Date in any jurisdiction, the illegality, invalidity or unenforceability of that provision will not affect the legality, validity or enforceability of the remaining provisions of this Plan, or the legality, validity or enforceability of that provision in any other jurisdiction.

1.12 Timing Generally

Unless otherwise specified, all references to time herein, and in any document issued pursuant hereto, shall mean local time in Vancouver, British Columbia and any reference to an event occurring on a Business Day shall mean prior to 4:00 p.m. (Pacific Daylight Time) on such Business Day.

1.13 Time of Payments and Other Actions

Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the payment to the next succeeding Business Day if the last day of the period is not a Business Day. Wherever any payment to be made or action to be taken under this Plan is required to be made or to be taken on a day other than a Business Day, such payment shall be made or action taken on the next succeeding Business Day.

1.14 Schedules

The following are the Schedules to this Plan, which are incorporated by reference into this Plan and form an integral part hereof:

Schedule "A" - Definitions
Schedule "B" - Term Sheet
Schedule "C" - Form of Monitor's Plan Certificate
Schedule "D" - Form of Monitor's Discharge Certificate
Schedule "E" - CCAA Conversion Order
Schedule "F" - Claims Process Order

ARTICLE II – PURPOSE OF THE PLAN

2.1 Purpose of the Plan

By way of background, EncoreFX voluntarily assigned itself into bankruptcy on March 30, 2020 as a result of atypical volatile foreign exchange market conditions driven mainly by the impact of the COVID-19 pandemic. As further described below, the Trustee of EncoreFX is of the view that a liquidating CCAA proceeding will benefit the Affected Creditors of EncoreFX.

Various Claims have been asserted against EncoreFX, including the secured claim of GCC as further described hereinafter, property claims, and unsecured claims. The various Claims were potentially subject to extensive and uncertain litigation in the BIA Proceedings. This Plan has been devised to avoid litigation and to determine how the assets of EncoreFX shall be distributed.

On January 15, 2021, following extensive negotiations in efforts to avoid litigation related to the various allocation issues, the Gustavson Parties, Wrede and the Trustee, with the approval and support of the Inspectors, entered into a Term Sheet outlining the basic terms of this Plan to achieve a global resolution of the various Affected Claims against EncoreFX through a compromise and arrangement under the CCAA.

The Plan seeks to avoid depletion of the Estate's assets resulting from extensive and uncertain litigation and to achieve a balance of the equities of the stakeholders of EncoreFX. The Plan aims to achieve this by providing a global resolution of the Affected Claims as against the Estate of EncoreFX by way of the distribution of all funds and other assets recovered by the Trustee, and that may be recovered by the Monitor under the CCAA Proceedings after the Conversion.

2.2 Objective of Liquidating CCAA Process

The Trustee has determined through due diligence, including detailed discussions and negotiations with the Gustavson Parties, Wrede, the Bank of Montreal, and the Inspectors within the BIA Proceedings, that the global resolution outlined in the Term Sheet and this Plan and implemented through a liquidating CCAA proceeding will result in the best recovery for the Affected Creditors. In particular, the Plan simplifies recovery of assets and distribution of proceeds to the Affected Creditors by:

a. resolving contested matters regarding the secured claim of GCC as further described hereinafter;

b. resolving contested matters with the Bank of Montreal regarding the EFT Funds and the EFT Claims; and

c. establishing a framework to assess and resolve the Property Claims, including the property claim filed by Wrede.

The benefits derived from the above resolutions and framework will ultimately enhance a potential distribution to GUCs, who are expected to receive a better distribution than they would receive in the BIA Proceedings.

ARTICLE III – CLASSIFICATION OF AFFECTED CREDITORS

3.1 Classification

This Plan shall comprise of three (3) Affected Creditor Classes for voting and distribution purposes:

a. **Secured Creditor**: The class of secured creditor is comprised of GCC with respect to the GCC Secured Claim (the "**Secured Creditor**");

b. **Property Claimants**: The class of property claimants comprised of Affected Creditors who have outstanding Property Claims (the "**Property Claimants**"). The Property Claimants may also include claimants:

   i. who had initiated EFT Reversals after the Date of Bankruptcy;

   ii. who have paid the Trustee the full amount of their EFT Reversals and the costs of the Trustee or the Monitor related to the seeking of relief against such claimant on a full indemnity basis;

   iii. who had filed Property Proofs of Claim in respect of their EFT Reversals; and

   iv. where the filed Property Proofs of Claim had, in the Trustee's and/or Monitor's opinion, been properly filed in respect of Property Claims or where the CCAA Court or any other court of competent jurisdiction has determined that the Property Claimant has a valid and enforceable Property Claim.

Any Claim asserted with respect to Margin Deposits shall not constitute a Property Claim for the purpose of this Plan.

c. **General Unsecured Creditors** ("**GUCs**"): The class of GUCs comprised of any other remaining creditors which have general unsecured claims (the "**General Unsecured Claims**"), including:

   i. Employees with respect to Employee Claims;

   ii. ITM Creditors;

   iii. Affected Creditors who have a Claim in respect of Margin Deposits;

   iv. Affected Creditors with Claims in respect of "in flight" funds or holding account funds who (A) did not submit a Property Proof of Claim; (B) submitted a Property Proof of Claim which has been disallowed by the Trustee on a final basis or determined by the CCAA Court or any other court of competent jurisdiction to not have a Property Claim; or (C) received a notice from the Trustee pursuant to section 81(4) of the BIA and failed to file a Property Proof of Claim within the prescribed period;

   v. trade creditors with Claims against EncoreFX;

   vi. Creditors with D&O Claims and D&O Indemnity Claims, whose claims are specifically subject to Section 5.1 of this Plan; and

   vii. Bank of Montreal ("**BMO**") in respect of its EFT Claim.

ARTICLE IV – CLAIMS

4.1 Persons Affected by the Plan

On the Plan Implementation Date, this Plan shall affect and be binding upon EncoreFX and the Affected Creditors and their respective heirs, administrators, executors, legal personal representatives, successors and assigns, as the case may be.

4.2 Claims Unaffected by the Plan

This Plan shall not compromise, release or otherwise affect the following Claims and rights that arise in respect thereof (collectively, the "**Excluded Claims**"):

a. any Claim or portion of a Claim arising from a Cause of Action for which the Petitioner is covered by insurance, but only to the extent of that coverage; and

b. any other Claim arising solely as a result of events occurring after the CCAA Filing Date (other than Subsequent Claims).

Subject to the provisions of this Plan, Excluded Claims shall not be compromised, released or otherwise affected by this Plan and shall be dealt with in accordance with the arrangements between the Petitioner or the Monitor and the holders of such Excluded Claims in effect on the CCAA Filing Date or such other arrangement as may be mutually agreed between the applicable parties.

4.3 Claims Process

The Monitor shall evaluate Proof of Claims in accordance with the terms of the Claims Process Order. Unless otherwise provided for in the Claims Process Order or as may be ordered by the CCAA Court, the Monitor shall not conduct any new claims process with respect of the CCAA Proceedings and all steps and actions taken in the BIA Proceedings shall apply *mutatis mundis* in the CCAA Proceedings.

Pursuant to the Claims Process Order and for purposes of this Plan, Wrede shall be entitled to a Property Claim which is a Proven Distribution Claim and Proven Voting Claim in the amount of $28,966,892.58 without any further formality or filing.

4.4 No Vote or Distribution in Respect of Excluded Claims

No holder of an Excluded Claim shall be entitled to vote on or receive any distributions under this Plan in respect of such Excluded Claim.

4.5 Claims Filed by Holders of Excluded Claims

Where a Proof of Claim has been filed with the Petitioner or the Monitor by any Person in respect of an Excluded Claim, whether pursuant to the Claims Process Order or otherwise, such Proof of Claim shall be deemed to be disallowed for voting and distribution purposes with no further action required by the Petitioner or the Monitor and neither the Petitioner nor the Monitor shall have any further obligation in respect of such Proof of Claim.

4.6 Defences to Excluded Claims

Nothing in this Plan shall affect the Petitioner's or the Monitor's rights and defences, both legal and equitable, with respect to any Excluded Claims or any rights with respect to legal and equitable defences or entitlements to set-offs or recoupments against such Excluded Claims.

4.7 Subsection 6(3) CCAA Requirements - Certain Crown Claims

All Special Crown Claims in respect of all amounts that were outstanding at the CCAA Filing Date or that were related to the period of time ending on the Plan Implementation Date are Priority Payments and shall be paid in full to the Crown within six months of the Sanction Order, as required by section 6(3) of the CCAA.

4.8 Subsection 6(5) CCAA Requirements - Employees

All payments required by subsection 6(5) of the CCAA are Priority Payments and shall be paid forthwith following the Plan Implementation Date.

4.9 Payment of WEPPA Claims

All priority Claims subject to section 81.3(1) of the BIA and payable pursuant to WEPPA are Priority Payments and shall be paid forthwith following the Plan Implementation Date.

4.10 No Payment On Account of Equity Claims

No payment on account of equity claims (as such term is defined in the CCAA) shall be made under this Plan.

ARTICLE V – TREATMENT OF AFFECTED CREDITORS

5.1 Voting for Holders of Proven Voting Claims

For the purposes of considering and voting on the Plan, each Affected Creditor falls within one of the three (3) Affected Creditor Classes as defined in Section 3.1 of this Plan, being the Secured Creditor, Property Claimants, and GUCs. Each Affected Creditor shall be entitled to vote on the Plan at the Creditor's Meeting, to the extent of the amount of his, her or its Proven Voting Claim. For further clarity, an Affected Creditor asserting a Claim against both EncoreFX and any D&O shall be considered a single creditor for the purposes of voting and distribution under this Plan, and such Affected Creditor shall not be entitled to recover twice in respect of its Claim. GCC, Wrede and BMO have agreed to support and vote in favour of the Plan.

5.2 Treatment of Proven Distribution Claims

Upon the Monitor's distribution of the Secured Claim Distribution, the Property Claim Distributions, and the Unsecured Claim Distributions, each Affected Claim will be compromised (except in respect of the Secured Deficiency Claim, the Property Deficiency Claims, the D&O Claims, and the D&O Indemnity Claims) and the Monitor shall issue a cash distribution to each Affected Creditor with a Proven Distribution Claim, in full satisfaction of such Affected Creditor's Affected Claim as follows:

a. In full and final satisfaction of the GCC Secured Claim, but subject to Section 6.6 of this Plan, GCC shall receive: (i) a distribution from the Current Funds of \$12,000,000 (the "**Secured Claim Distribution**"); (ii) an accepted preferred claim of \$4,944,475 (the "**Secured Preferred Claim**"); and (iii) an accepted deficiency claim equal to \$18,944,475 (the "**Secured Deficiency Claim**").

b. In full and final satisfaction of the Property Claims, but subject to Section 6.6 of this Plan, the Property Claimants shall receive: (i) a distribution from the Current Funds equal to 66.67% of their respective Property Claim (the "**Property Claim Distributions**"); and (ii) an accepted deficiency claim equal to the amount of their Property Claim minus any amounts received from the Property Claim Distribution (the "**Property Deficiency Claims**"). The amount of any accepted Property Claim shall be net of any amounts owing by the Property Claimant to the Estate as determined by the Monitor or the CCAA Court in respect of any "out-of-the-money" positions, or any other debt owed to the Estate by the Property Claimant.

c. In full and final satisfaction of the General Unsecured Claims, the GUCs may elect to receive a distribution from the Current Funds (the "**Unsecured Claim Distributions**") equal to either: (i) 100% of their respective General Unsecured Claim with respect to the first $5,000 of their General Unsecured Claim, or (ii) 16% of their respective General Unsecured Claim. For those GUCs who are owed $5,000 or less and for those GUCs who are owed between $5,000 and $31,250 and who elect to accept $5,000 in full and final satisfaction of their claims (collectively, the "**Convenience Creditors**"), then in each such case the Convenience Creditors shall be deemed to have voted in favour of the Plan. The amount of any accepted General Unsecured Claim shall be net of any amounts owing by the GUC to the Estate as determined by the Monitor or the CCAA Court in respect of any "out-of-the-money" positions, or any other debt owed to the Estate by the GUC.

5.3 Directors and Officers - Treatment of D&O Claims and D&O Indemnity Claims

a. For further clarity and notwithstanding Section 5.2 of this Plan, nothing (including but not limited to the compromise of a D&O Claim or a D&O Indemnity Claim under this Plan) shall prejudice the rights and remedies of any D&Os or other person under any existing insurance policy or prevent or bar any person from seeking recourse against or payment from EncoreFX's insurance or any director and officer liability insurance policy or policies that exist to protect or indemnify the D&Os or other persons, whether such recourse or payment is sought directly by the person asserting the claim from the insurer or derivatively through the D&Os provided, however, that noting in this Plan shall create any rights in favour of such person under any policies of insurance nor shall anything in this Plan limit, remove, modify or alter any defence to such claim available to the insurer pursuant to the provisions of any insurance policy or at law.

b. Any D&O wishing to assert a D&O Indemnity Claim shall deliver a Proof of Claim in accordance with the provisions of the Claims Process Order.

ARTICLE VI – PROVISIONS GOVERNING DISTRIBUTIONS

6.1 Available Funds

a. The funds available for distribution to the Affected Creditors ("**Available Funds**") shall comprise of the following:

   i. the Current Funds;

   ii. additional funds to be recovered in respect of the Estate Claims; and

   iii. any additional funds recovered by the Monitor or Trustee on behalf of the Estate.

6.2 Initial Distributions

a. Subject to Sections 6.4, 6.5 and 6.6 of this Plan, the Monitor shall complete the Priority Payments, Secured Claim Distribution, Property Claim Distributions, and Unsecured Claim Distributions as soon as reasonably practicable following the granting of the Sanction Order (the "**Initial Distributions**").

b. The Initial Distributions are subject to Sections 6.4, 6.5 and 6.6 of this Plan and shall occur in the following sequence:

   i. *first*, to the GUCs in respect of the Unsecured Claim Distributions; and

   ii. *second*, to the Secured Creditor and the Property Claimants in respect of the Secured Claim Distribution and the Property Claim Distributions, respectively.

c. An Affected Creditor with a Disputed Claim shall not be entitled to receive a distribution under this Plan in respect thereof unless and until such Disputed Claim becomes a Proven Distribution Claim.

6.3 Subsequent Distributions

a. Following the Initial Distributions, the Monitor shall subsequently distribute the Remaining Funds in excess of the Administrative Reserve, the Disputed Claims Reserve and the Additional Reserve (together, the "**Reserves**") in accordance with Paragraph 6.3b of this Plan and at intervals determined by the Oversight Committee or the CCAA Court, provided however, that the Monitor shall distribute all of the Remaining Funds in excess of the Reserves if such amount is at any time in excess the sum of the Disputed Claims Reserve, the Additional Reserve plus the sum of $5,000,000. Any funds remaining in the Reserves upon the Monitor's completion of its obligations under this Plan shall be distributed on the final distribution made to GCC and the Property Claimants in accordance with the Plan.

b. The Remaining Funds shall be distributed by the Monitor as follows:

   i. *first*, to the Secured Creditor in satisfaction of the Secured Preferred Claim; and

   ii. *second*, following payment in full of the Secured Preferred Claim, *pro-rata* among the Secured Deficiency Claim, and the Property Deficiency Claims.

6.4 Administrative Reserve

The Trustee or the Monitor shall deposit CAD $4,000,000 (the "**Administrative Reserve**") into a separate account for the purpose of funding the Monitor to pursue the Estate Claims and funding for any other reasonable costs and expenses of the Estate. Any additional recoveries from the Trustee and/or the Monitor on account of the Estate Claims shall top up the Administrative Reserve prior to being used to fund distributions to Affected Creditors in accordance with this Plan.

6.5 Disputed Claims

a. The fact that a Disputed Claim is allowed for voting purposes as a Proven Voting Claim shall not preclude the Petitioner and the Monitor from disputing the Disputed Claim for distribution purposes as a Proven Distribution Claim. If it is determined by Monitor for it to be necessary and advisable for the Monitor to do so in order to facilitate the orderly and efficient administration of the Plan, then distributions in relation to any Disputed Claim in existence at the Distribution Date will be held in escrow by the Monitor in the Disputed Claims Reserve until settlement or final determination of the Disputed Claim in accordance with the Claims Process Order and this Plan.

b. To the extent that any Disputed Claim becomes a Proven Distribution Claim in accordance with this Plan, the Monitor shall distribute (on a date to be determined by the Monitor) to the holder of such Proven Distribution Claim from the Disputed Claims Reserve the distribution such Affected Creditor would have been entitled to receive in respect of its Proven Distribution Claim on the Distribution Date had such Claim not been a Disputed Claim on the Distribution Date. To the extent that any Disputed Claim or a portion thereof has become a Disallowed Claim after the Distribution Date, then the distribution contemplated by Section 5.2 shall be limited to that portion of the Affected Claim that constitutes a Proven Distribution Claim.

6.6 Additional Reserve

If the amount of the Available Funds is insufficient to pay the Secured Claim Distribution, the Property Claim Distributions and Unsecured Claim Distributions on the date of the Initial Distributions then, after reserving for the Administrative Reserve, the Disputed Claims Reserve, and any amount ordered by the CCAA Court or any court of competent jurisdiction or any amount determined by the Monitor as being necessary and advisable to reserve in order to facilitate the orderly and efficient administration of the Plan, (the "**Additional Reserve**"), the Monitor shall withhold from the Secured Claim Distribution and the Property Claim Distribution, (the "**Withheld Amounts**"), on a *pro rata* basis the amount necessary to pay the Unsecured Claim Distribution and maintain the Administrative Reserve, the Disputed Claims Reserve and the Additional Reserve. As funds come available from the Disputed Claims Reserve and the Additional Reserve, such funds shall be distributed on a *pro rata* basis to the Secured Creditor and the Property Claimants in payment of the Withheld Amounts until the Withheld Amounts have been paid in full.

6.7 Interest on Affected Claims

No interest or penalties shall accrue or be paid on an Affected Claim from and after or in respect of the period of time following the Date of Bankruptcy and no holder of an Affected Claim shall be entitled to any interest in respect of such Affected Claim accruing on or after or in respect of the period of time following the Date of Bankruptcy. All interest accruing on any Affected Claim after or in respect of the period of time following the Date of Bankruptcy shall be forever extinguished and released under this Plan.

6.8 Distributions In Respect of Transferred or Assigned Claims

The Monitor shall not be obligated to deliver any distributions under this Plan to any transferee or assignee of an Affected Claim unless a Proof of Assignment has been delivered to the Monitor no later than five (5) Business Days prior to the Distribution Date, and in any event, in accordance with the Claims Process Order.

6.9 Undeliverable and Unclaimed Distributions

a. If any Affected Creditor entitled to a cash distribution pursuant to this Plan cannot be located by the Petitioner on the Distribution Date, or if any delivery or distribution to be made pursuant to Section 5.2 of this Plan is returned as undeliverable, such cash shall be set aside and retained by the Monitor. If such Affected Creditor is located by the Monitor within six (6) months after the Distribution Date, such cash shall be distributed, without interest earned thereon, to such Affected Creditor.

b. If such Affected Creditor cannot be located by the Monitor or if any delivery or distribution to be made pursuant to Section 5.2 of this Plan is returned as undeliverable, or in the case of any distribution made by cheque, the cheque remains uncashed, for a period of more than six (6) months after the Distribution Date, or the date of delivery or mailing of the cheque, whichever is later, the Affected Claim of any Affected Creditor with respect to such undelivered or unclaimed distribution shall be discharged and forever barred, notwithstanding any federal or provincial laws to the contrary and any such cash allocable to the undeliverable or unclaimed distribution, shall be added to the Remaining Funds and distributed by the Monitor in accordance with Section 6.6. Nothing contained in this Plan shall require the Petitioner and/or the Monitor to attempt to locate any holder of any undeliverable or unclaimed distributions.

6.10 Tax Matters

a. **Allocation of Distributions**. All distributions made pursuant to this Plan in respect of a Proven Distribution Claim shall be applied first in consideration for accrued and unpaid interest and penalties, if any, which form part of such Proven Distribution Claim, and secondly in consideration of the outstanding principal amount of such Proven Distribution Claim. Notwithstanding any other provision of this Plan, each Affected Creditor that is to receive a distribution or payment pursuant to this Plan shall have sole and exclusive responsibility for the satisfaction and payment of any Tax obligations imposed by any Authorized Authority on account of such distribution.

b. **Withholding Rights**. All distributions hereunder shall be subject to any withholding and reporting requirements imposed by any Applicable Law, which withholding the Monitor shall deduct in accordance with such Applicable Law or Taxing Authority. In the event a withholding is necessary, the Monitor shall withhold and remit from any distributions hereunder payable to an Affected

Creditor or to any Person on behalf of any Affected Creditor, such amounts as the Monitor determines are: (i) required to deduct and withhold with respect to such payment under the ITA or any provision of Applicable Law, in each case, as amended or succeeded; or (ii) entitled to withhold under section 116 of the ITA or any corresponding provisions of provincial law. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes as having been paid to the Affected Creditor in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate Taxing Authority.

ARTICLE VII – IMPLEMENTATION OF THE PLAN

7.1 Oversight Committee

Upon the Conversion, the Inspectors shall be deemed to resign and each of GCC and Wrede shall nominate one person who, together with the Monitor, will form the Oversight Committee. The purpose of the Oversight Committee shall be, *inter alia*, to review and approve settlements in respect of the Estate Claims, Property Claims, the AgraCity Reversal, and generally deal with the continued realization of the assets of EncoreFX. The Oversight Committee shall not incur any liability with respect to any steps and actions taken in fulfilling their mandate except for gross negligence or willful misconduct.

7.2 Funding of Distributions

On the Plan Implementation Date, the Monitor shall establish an amount of money sufficient to fund the Reserves and the payment of the distributions contemplated by Section 6.2 hereof.

7.3 Distributions by the Monitor

a. All cash distributions to be made under this Plan to an Affected Creditor shall be made by the Monitor by cheque or wire transfer, and if by cheque, same will be sent via regular mail to such Affected Creditor to the address specified in the Proof of Claim filed by such Affected Creditor or such other address as the Affected Creditor may from time to time provide to the Monitor in accordance with Section 12.7 of this Plan.

b. All amounts of consideration received under this Plan shall be calculated to the nearest cent ($0.01). All calculations and determinations made by the Monitor for the purposes of and in accordance with this Plan, including without limitation the allocation of such consideration, shall be conclusive and binding upon the Affected Creditors and the Monitor.

c. The Monitor will distribute any remaining funds in the Reserves in accordance with Paragraph 6.3b of this Plan.

d. In the event that a Disputed Claims Reserve is established, then the distribution of amounts held in the Disputed Claims Reserve in respect of the Disputed Claims which become disallowed after the Effective Time shall be added to the Remaining Funds and distributed by the Monitor in accordance with this Plan.

e. In the event an Additional Reserve is established, the distribution of the amount held in the Additional Reserve shall, upon an order of the CCAA Court or as determined by the Monitor be added to the Remaining Funds and distributed by the Monitor in accordance with this Plan.

f. No Affected Creditor with a net "out-of-the-money" position with the Estate, or that owes any other amount to the Estate as determined by the Monitor or the CCAA Court shall receive a distribution in respect of any Affected Claim until such "out-of-the-money" position or amount owing to the Estate is resolved.

7.4 Timing of Distributions

The Monitor shall distribute the Remaining Funds and any funds remaining in respect of the Reserves as soon as reasonably possible.

ARTICLE VIII – CREDITOR'S MEETING

8.1 Conduct of Creditor's Meeting

The Creditor's Meeting in respect of the class of Affected Creditors to consider and vote on this Plan shall be held and conducted by the Monitor in accordance with the terms of the Creditor's Meeting Order.

8.2 Acceptance of Plan

If this Plan is approved by the Required Majority of Creditors, this Plan shall be approved and shall be deemed to have been agreed to, accepted and approved by each of the Affected Creditors and shall be binding upon all Affected Creditors.

ARTICLE IX – CONDITIONS OF PLAN IMPLEMENTATION

9.1 Sanction Order

If this Plan is approved by the Required Majority of Creditors, then as soon as reasonably practicable the Monitor shall bring a motion before the CCAA Court for the Sanction Order, which Sanction Order shall provide, among other things:

a. that the Creditor's Meeting was duly called and held in accordance with the terms of the Creditor's Meeting Order;

b. that all Persons named in this Plan are authorized to perform their functions and fulfill their obligation under the Plan in order to facilitate the implementation of the Plan;

c. that this Plan has been approved by the Required Majority of Creditors of all three (3) Affected Creditors Classes entitled to vote at the Creditor's Meeting in conformity with the CCAA;

d. that the Monitor has acted in good faith and has complied with the provisions of the CCAA and the Orders made in the CCAA Proceedings in all respects;

e. that the CCAA Court is satisfied that the Petitioner has not done nor purported to do anything that is not authorized by the CCAA;

f. that this Plan and the transactions contemplated by it are fair and reasonable;

g. that this Plan (including the compromises, arrangements and releases set out herein) shall be sanctioned and approved pursuant to Section 6 of the CCAA and will be binding and effective as herein set out on EncoreFX, all Affected Creditors and all other Persons as provided for in this Plan or in the Sanction Order;

9.2 Conditions of Plan Implementation

a. The implementation of this Plan shall be conditional upon the fulfillment or waiver, where applicable, of the following conditions at or before the Effective Time:

   i. this Plan shall have been approved by the Required Majority of Creditors in each of the three (3) Affected Creditor Classes;

   ii. the Sanction Order shall have been granted by the CCAA Court in a form acceptable to the Monitor, Wrede and the Gustavson Parties and shall be in full force and effect and not reversed, stayed, varied, modified or amended;

   iii. all applicable appeal periods in respect of the Sanction Order shall have expired and, in the event of an appeal or application for leave to appeal, final determination thereof shall have been made by the applicable appellate court;

   iv. all approvals, orders, determinations or consents required pursuant to Applicable Law, if applicable, shall have been obtained on terms and conditions satisfactory to the Monitor, acting reasonably, and shall remain in full force and effect at the Effective Time;

   v. all agreements, resolutions, documents and other instruments which are necessary to be executed and delivered by the Petitioner or the Monitor in order to implement this Plan and perform its obligations under this Plan shall have been executed and delivered;

   vi. no action shall have been instituted and be continuing as at the Effective Time for an injunction to restrain, a declaratory judgment in respect of, or damages on account of, or relating, this Plan; and

vii. the funds of the Estate available for distribution on the Plan Implementation Date shall be sufficient to pay at least CAD $30,000,000 on account of the Secured Claim Distribution and the Property Claim Distributions.

Each of the other conditions set out in this Paragraph 9.2a may be waived in whole or in part by the Monitor with the consent of Wrede and the Gustavson Parties. If a condition set out above has not been satisfied or waived in accordance with this Section 9.2, then this Plan shall automatically terminate, in which case the Monitor shall not be under any further obligation to implement this Plan.

b. Upon approval and sanctioning of the Plan, and the Initial Distributions from the Current Funds, the Monitor will provide a full and final release of the Estate's rights and Estate Claims against the Gustavson Parties in accordance with Section 11.4 of this Plan.

9.3 Monitor's Plan Certificate

Upon delivery of written notice by the Monitor that the conditions set out in Section 9.2 have been satisfied or waived, the Monitor shall, as soon as possible following receipt of such written notice, file the Monitor's Plan Certificate with the CCAA Court, thereby confirming that all of the conditions precedent set out in Section 9.2 have been satisfied or waived. The Monitor's Plan Certificate shall be substantially in the form attached as Schedule "C" to this Plan.

9.4 Monitor's Discharge Certificate

a. As soon as possible following the final distribution of the Remaining Funds, the Disputed Claims Reserve, any undeliverable or unclaimed distributions pursuant to Section 6.9 of this Plan, and any balance remaining in respect of the Administrative Reserve, the Monitor shall file the Monitor's Discharge Certificate with the CCAA Court, thereby confirming that, in the sole opinion of the Monitor, the Monitor has completed the duties and obligations imposed upon it by the CCAA Conversion Order and the CCAA. Upon the filing with the CCAA Court of the Monitor's Discharge Certificate, the Monitor shall be forever discharged of its duties and obligations under the CCAA Conversion Order, the Plan, and the CCAA, except for administrative matters that may arise from time-to-time. The Monitor's Discharge Certificate shall be substantially in the form attached as Schedule "D" to this Plan.

b. Payment of the Remaining Funds and the Administrative Reserve by the Monitor to the creditors as set out in the distribution schedule shall, upon the discharge of the Monitor and approval of the Office of the Superintendent in Bankruptcy, operate to annul the bankruptcy of EncoreFX, and to re-vest in EncoreFX all of the right, title, and interest of the Monitor in the property of EncoreFX as of the date of the discharge of the Monitor.

ARTICLE X – AMENDMENTS TO THE PLAN

10.1 Amendments to Plan Prior to Approval

The Monitor, with the consent of Wrede and the Gustavson Parties, reserves the right to file any variation or modification of, or amendment or supplement to, this Plan by way of a supplementary or amended and restated plan or plans of compromise or arrangement or both filed with the CCAA Court at any time or from time to time prior to the commencement of the Creditor's Meeting. Any such supplementary or amended and restated plan or plans of compromise or arrangement or both shall, for all purposes, be deemed to be a part of and incorporated into this Plan. Any such variation, modification, amendment or supplement shall be posted on the Monitor's website (www.ey.com/ca/EncoreFX) on the day on which it is filed with the CCAA Court and notice of same will be provided to the parties on the Service List. Affected Creditors are advised to check the Monitor's website regularly. Affected Creditors in attendance at the Creditor's Meeting will also be advised of any amendment made to this Plan.

In addition, the Monitor, with the consent of Wrede and the Gustavson Parties, may propose a variation, modification of or amendment or supplement to this Plan during the Creditor's Meeting, provided that notice of such variation, modification, amendment or supplement is given to all Affected Creditors entitled to vote who are present in person or by proxy at the Creditor's Meeting prior to the vote being taken at the Creditor's Meeting, in which case any such variation, modification, amendment or supplement shall, for all purposes, be deemed to be part of this Plan. Any variation, amendment, modification or supplement at the Creditor's Meeting will be promptly posted on the Monitor's website (www.ey.com/ca/EncoreFX) and filed with the CCAA Court as soon as practicable following the Creditor's Meeting.

10.2 Amendments to Plan Following Approval

After the Creditor's Meeting (and both prior to and subsequent to the obtaining of the Sanction Order), the Monitor, with the consent of Wrede and the Gustavson Parties, may at any time and from time to time vary, amend, modify or supplement this Plan without the need for obtaining an Order of the CCAA Court or providing notice to the Creditors, if the Monitor, acting reasonably and in good faith, determine that such variation, amendment, modification or supplement is of a technical or administrative nature that would not be materially prejudicial to the interests of any of the Affected Creditors under this Plan and is necessary in order to give effect to the substance of this Plan or the Sanction Order.

ARTICLE XI – PLAN IMPLEMENTATION AND EFFECT OF THIS PLAN

11.1 Implementation

On the Plan Implementation Date, subject to the satisfaction or waiver of the conditions contained in Section 9.2 of this Plan, this Plan shall be implemented by the Petitioner and the Monitor, and the Plan shall be binding upon all Affected Creditors in accordance with the terms of this Plan and the Sanction Order.

11.2 Effect of This Plan Generally

The payment, compromise or satisfaction of any Affected Claims under this Plan, if sanctioned and approved by the CCAA Court, shall be binding upon each Affected Creditor, his, her or its heirs, executors, administrators, legal personal representatives, successors and assigns, as the case may be, for all purposes and this Plan shall constitute: (a) full, final and absolute settlement of all rights of any Affected Creditor against EncoreFX in respect of the Affected Claims; and (b) an absolute release and discharge of all indebtedness, liabilities and obligations of or in respect of the Affected Claims against EncoreFX or any D&O, including any interest or costs accruing thereon whether before or after the Filing Date.

11.3 Compromise Effective for All Purposes

a. No Person who has an Affected Claim as a guarantor, surety, indemnitor or similar covenantor in respect of any Affected Claim which is compromised under this Plan or who has any right to claim over in respect of or to be subrogated to the rights of any Person in respect of an Affected Claim which is compromised under this Plan shall not be entitled to any greater rights than the Affected Creditor whose Affected Claim was compromised under this Plan. Accordingly, the payment, compromise or other satisfaction of any Affected Claim under this Plan, if sanctioned and approved by the CCAA Court, shall be binding upon such Affected Creditor, its heirs, executors, administrators, successors and assigns for all purposes and, to such extent, shall also be effective to relieve any third party directly or indirectly liable for such indebtedness, whether as guarantor, surety, indemnitor, director, joint covenantor, principal or otherwise.

b. For further clarity and notwithstanding Section 11.3a of this Plan, nothing (including but not limited to the compromise of a D&O Claim or a D&O Indemnity Claim under this Plan) shall prejudice the rights and remedies of any D&Os or other person under any existing insurance policy or prevent or bar any person from seeking recourse against or payment from EncoreFX's insurance or any director and officer liability insurance policy or policies that exist to protect or indemnify the D&Os or other persons, whether such recourse or payment is sought directly by the person asserting the claim from the insurer or derivatively through the D&Os provided, however, that noting in this Plan shall create any rights in favour of such person under any policies of insurance nor shall anything in this Plan limit, remove, modify or alter any defence to such claim available to the insurer pursuant to the provisions of any insurance policy or at law.

11.4 Treatment of EFT Reversals

As of the Plan Implementation Date, the Monitor confirms that it will not pursue recovery in respect of any outstanding EFT Reversals notwithstanding the provisions of the Term Sheet, provided however that such confirmation does not apply in respect of the Monitor's pursuit of recovery in respect of the AgraCity Reversal. Further, GCC and BMO have confirmed that they will not pursue recovery in respect of any outstanding EFT Reversals after the Plan Implementation Date, provided however that such confirmation does not apply in respect of recovery regarding the AgraCity Reversal. All claims and rights in respect of the EFT Reversal, other than the AgraCity Reversal, shall be released and permanently enjoined.

11.5 Contracts

As of the Plan Implementation Date, each contract to which the Petitioner is a party as at the CCAA Filing Date, as it may have been modified, amended or varied after the CCAA Filing Date, shall be automatically terminated as at the Effective Time.

11.6 Plan Releases

a. On the Plan Implementation Date and payment of the Initial Distributions, the Monitor shall release and be permanently enjoined from any prosecution or attempted prosecution of any and all Estate Claims that it has or may have against the Gustavson Parties; provided, however, that the foregoing shall not operate as a waiver or release from any Estate Claims arising out of the fraud, wilful misconduct, or gross negligence of the Gustavson Parties in connection with, related to, or arising out of the CCAA Proceedings, the pursuit of the sanction of this Plan, the consummation of this Plan, the administration of this Plan, or the property to be distributed under this Plan.

b. All transactions as between EncoreFX and the Gustavson Parties, shall be deemed to be confirmed and to have been consummated at a value that is not conspicuously different than the fair market value of the property or services of the subject transactions, and Sections 95 to 101 of the BIA shall hereafter have no application, authority or determinative purpose, and for the purposes of Section 137 of the BIA, the Secured Claim is deemed to be a proper transaction.

c. On the Plan Implementation Date, except as otherwise provided in this Plan or in the Sanction Order, the Monitor (and its legal counsel) and the Trustee (and its legal counsel) shall be released from any and all claims, obligations, rights, Causes of Action and liabilities which the Petitioner may be entitled to assert, whether for tort, fraud, contracts, violation of Applicable Laws or otherwise, whether known or unknown, foreseen or unforeseen, existing or thereafter arising, based in whole or in part upon any act or omission, transaction or other occurrence taking place on or before the Effective Time, including the negotiation, solicitation, confirmation and consummation of this Plan; provided, however, that nothing shall release any Person from any Claims, obligations, Causes of Action or liabilities based upon any act or omission in connection with, relating to, or arising out of the CCAA Proceedings, the pursuit of the sanction of this Plan, the consummation of this Plan, the administration of this Plan, or the property to be distributed under this Plan, in each case which arise out of such Person's fraud, gross negligence, or wilful misconduct.

d. All claims and rights in respect of the EFT Reversals, save and except the AgraCity Reversal, shall be released and permanently enjoined.

11.7 Knowledge of Claims

Each Person to whom Section 4.1 hereof applies shall be deemed to have granted the releases set forth in Section 11.4 notwithstanding that he, she or it may hereafter discover facts in addition to, or different from, those which it now knows or believes to be true, and without regard to the subsequent discovery or existence of such different or additional facts, and such party expressly waives any and all rights that he, she or it may have under any Applicable Law which would limit the effect of such releases to those Affected Claims at the time of the granting of the release.

11.8 Exculpation

Neither the Petitioner nor the Monitor (including its legal counsel) or successors and assigns, shall have or incur any liability to any holder of a Affected Claim, or other party in interest for any act or omission in connection with, related to, or arising out of the CCAA Proceedings, the BIA Proceedings, the pursuit of sanction of the Plan, the consummation of this Plan or the administration of this Plan or the property to be distributed under this Plan, including the negotiation and solicitation of this Plan, except for wilful misconduct or gross negligence, and, in all respects, the Monitor and its respective members, officers, directors, employees, professional advisors (including legal counsel) or agents shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under this Plan.

11.9 Waiver of Defaults

From and after the Effective Time, and subject to any express provisions to the contrary in any amending agreement entered into with the Monitor after the CCAA Filing Date, all Persons shall be deemed to have waived any and all defaults of the Monitor then existing or previously committed by the Monitor or caused by the Monitor or any of the provisions hereof or non-compliance with any covenant, warranty, representation, term, provision, condition or obligation, express or implied, in every contract, agreement, mortgage, security agreement, indenture, trust indenture, loan agreement, commitment letter, agreement for sale, lease, personal property lease or other agreement, written or oral, any amendments or supplements thereto, existing between such Person and the Monitor. Any and all notices of default, acceleration of payments and demands for payments under any instrument, or other notices, including without limitation, any notices of intention to proceed to enforce security, arising from any of such aforesaid defaults shall be deemed to have been rescinded and withdrawn. For greater certainty, nothing in this paragraph shall waive any obligations of the Monitor in respect of any Excluded Claim.

11.10 Consents and Releases

From and after the Effective Time, all Affected Creditors shall be deemed to have consented and to have agreed to all of the provisions of this Plan as an entirety. In particular, each Affected Creditor shall be deemed:

a. to have granted, and executed and delivered to EncoreFX all consents, releases, assignments and waivers, statutory or otherwise, required to implement and carry out this Plan in its entirety;

b. to have waived any default by or rescinded any demand for payment against EncoreFX and the Monitor that occurred on or before the Plan Implementation Date;

c. to have agreed that, if there is any conflict between the provisions, whether express or implied, of any agreement or other arrangement, written or oral, between such Affected Creditors and the Petitioner or the Monitor with respect to an Affected Claim as at the Plan Implementation Date and the provisions of this Plan, then the provisions of this Plan take precedence and priority and the provisions of such agreement or other arrangement are amended accordingly; and

d. to have waived any and all defaults then existing or previously committed by EncoreFX or the Monitor in any covenant, warranty, representation, term, provision, condition or obligations, expressed or implied, in any contract, agreement, mortgage, security agreement, indenture, trust indenture, loan agreement, commitment letter, agreement for sale, lease or other agreement, written or oral and any and all amendments or supplements thereto, existing between any such Affected Creditor, Claimant or other Person and EncoreFX and any and all notices of default and demands for payment under any instrument, including without limitation any guaranty, shall be deemed to have been rescinded.

11.11 Deeming Provisions

In this Plan, the deeming provisions are not rebuttable and are conclusive and irrevocable.

ARTICLE XII – GENERAL PROVISIONS

12.1 Different Capacities

Creditors whose Affected Claims are affected by this Plan may be affected in more than one capacity. Unless expressly provided herein to the contrary, each such Affected Creditor shall be entitled to participate hereunder in each such capacity. Any action taken by an Affected Creditor in any one capacity shall not affect the Affected Creditor in any other capacity, unless expressly agreed by the Affected Creditor in writing or unless the Affected Claims overlap or are otherwise duplicative.

12.2 Further Assurances

Notwithstanding that the transactions and events set out in this Plan may be deemed to occur without any additional act or formality other than as expressly set out herein, each of the Persons affected hereby shall make, do, and execute or cause to be made, done or executed all such further acts, deeds, agreements, assignments, transfers, conveyances, discharges, assurances, instruments, documents, elections, consents or filings as may be reasonably required by EncoreFX in order to implement this Plan.

12.3 Paramountcy

Without limiting any other provision hereof, from and after the Effective Time, in the event of any conflict between this Plan and the covenants, warranties, representations, terms, conditions, provisions or obligations, expressed or implied, of any contract, mortgage, security agreement, indenture, trust indenture, loan agreement, commitment letter, agreement for sale, lease, personal property lease or other agreement, written or oral and any and all amendments or supplements thereto existing between EncoreFX and any other Persons affected by this Plan, the terms, conditions and provisions of this Plan shall govern and shall take precedence and priority.

12.4 Revocation, Withdrawal or Non-Consummation

The Monitor, with the consent of Wrede and the Gustavson Parties, may revoke or withdraw this Plan at any time prior to the Plan Implementation Date and to file subsequent plans of compromise or arrangement. If the Monitor revokes or withdraws this Plan, or if the Sanction Order is not issued: (a) this Plan shall be null and void in all respects; (b) any Affected Claim, any settlement or compromise embodied in this Plan (including the fixing or limiting of any Affected Claim to an amount certain), assumption or termination, repudiation of contracts or leases effected by this Plan, any document or agreement executed pursuant to this Plan shall be deemed null and void; and (c) nothing contained in this Plan, and no action taken in preparation for consummation of this Plan, shall: (i) constitute or be deemed to constitute a waiver or release of any Affected Claims by or against EncoreFX or any Person; (ii) prejudice in any manner the rights of EncoreFX or any Person in any further proceedings involving EncoreFX; or (iii) constitute an admission of any sort by EncoreFX or any Person.

12.5 Preservation of Rights of Action

Except as otherwise expressly provided in this Plan or in the Sanction Order, or in any contract, instrument, release, indenture or other agreement entered into in connection with this Plan, following the Effective Time, the Monitor shall retain and may enforce, sue on, settle, or compromise (or decline to do any of the foregoing) all Estate Claims that the Petitioner, the Trustee or the Monitor may hold against any Person or entity without further approval of the CCAA Court. Except as otherwise expressly provided in this Plan or in the Sanction Order, this Plan shall not affect in any manner any of the Estate Claims or provide any Person subject to an Estate Claim with any defence, third-party claims, cross-claims, counterclaims, release, compromise or discharge of such Estate Claim.

12.6 Responsibilities of the Monitor

The Monitor is acting in its capacity as Monitor in the CCAA Proceedings with respect to EncoreFX and is not responsible or liable for any obligations of EncoreFX. The Monitor will have the powers granted to it by this Plan, by the CCAA and by any Order, including the CCAA Conversion Order.

12.7 Notices

Any notice or communication to be delivered hereunder will be in writing and will reference this Plan and may, subject to as hereinafter provided, be made or given by mail, personal delivery or by facsimile or e-mail transmission addressed to the respective parties as follows:

a. if to EncoreFX / Monitor:

Ernst & Young Inc.
700 West Georgia Street
Vancouver, BC V7Y 1C7
Email: marko.gordic@parthenon.ey.com
Facsimile: 604.899.3530
Attention: Marko Gordic

- with a copy to -

MLT Aikins LLP
Suite 2600, 1066 West Hastings Street
Vancouver, BC V6E 3X1
Email: wskelly@mltaikins.com
Facsimile: 604.682.7131
Attention: William E.J. Skelly

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b. if to an Affected Creditor:

To the last known address (including fax number or email address) for such Affected Creditor set out in the books and records of the Petitioner or, if an Affected Creditor filed a Proof of Claim, the address specified in the Proof of Claim filed by such Affected Creditor or such other address as the Affected Creditor may from time to time notify the Monitor in accordance with this Section.

or to such other address as any party may from time to time notify the others in accordance with this Section. All such notices and communications which are delivered will be deemed to have been received on the date of delivery. All such notices and communications which are faxed or emailed will be deemed to be received on the date faxed or e-mailed if sent before 5:00 p.m. (Pacific Daylight Time) on a Business Day and otherwise will be deemed to be received on the Business Day next following the day upon which such fax or email was sent. Any notice or other communication sent by mail will be deemed to have been received on the third Business Day after the date of mailing.

Dated at Vancouver, British Columbia on April 6, 2021.

ENCOREFX INC., by its Court-appointed Monitor, Ernst & Young Inc., and not in its personal capacity

Per: ____________________

Mike Bell, Senior Vice President, Turnaround and Restructuring (CPA, CA)

SCHEDULE "A"

Definitions

"**Additional Reserve**" has the meaning given to such term in Section 6.6 of this Plan;

"**Administrative Reserve**" has the meaning given to such term in Section 6.4 of this Plan;

"**Affected Claims**" means all Claims except Excluded Claims, and "**Affected Claim**" shall mean any one of them;

"**Affected Creditor**" means a holder of an Affected Claim which, for clarity, includes any holder of a D&O Claim or a D&O Indemnity Claim, and "**Affected Creditors**" means all of them;

"**Affected Creditors Class**" means a class of Creditors of the Petitioner comprised solely of the Affected Creditors for purposes of considering and voting upon the Plan;

"**Affirmative Votes**" means: (i) the votes of Affected Creditors with Proven Voting Claims, who have voted in favour of this Plan at the Creditor's Meeting; and (ii) the votes of Affected Creditors deemed to have voted in favour of this Plan pursuant to Paragraph 5.2c hereof, and "**Affirmative Vote**" shall mean any one of them;

"**AgraCity**" means AgraCity Crop and Nutrition Ltd.;

"**AgraCity Reversal**" means EFT Reversals initiated by AgraCity after the Date of Bankruptcy in an aggregate amount totalling CAD $638,155.84;

"**Applicable Law**" means, at any time, in respect of any Person, property, transaction, event or other matter, as applicable, all laws, rules, statutes, regulations, treaties, orders, judgments and decrees, and all official requests, directives, rules, guidelines, orders, policies, practices and other requirements of any Authorized Authority;

"**Authorized Authority**" means, in relation to any Person, transaction or event, any:

a. federal, provincial, territorial, state, municipal or local governmental body (whether administrative, legislative, executive or otherwise), both domestic and foreign;

b. agency, authority, commission, instrumentality, regulatory body, court or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, including any Taxing Authority;

c. court, arbitrator, commission or body exercising judicial, quasi-judicial, administrative or similar functions; or

d. other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including any stock or other securities exchange, in each case having jurisdiction over such Person, transaction or event;

"**Available Funds**" has the meaning given to such term in Paragraph 6.1a of this Plan;

"**BIA**" means the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended;

"**BIA Proceedings**" means Supreme Court of British Columbia Court No. VLC-S-B-200204;

"**Business Day**" means a day, other than a Saturday, Sunday or a statutory holiday, on which banks are generally open for business in the Province of British Columbia;

"**Canadian Dollars**" or "**CAD $**" or "**CAD**" or "**$**" means dollars denominated in the lawful currency of Canada;

"**Causes of Action**" means any actions, causes of action, rights, suits, choses-in-action, third-party claims, cross-claims, counterclaims and demands whatsoever, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including without limitation, by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature;

"**CCAA**" means the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c.C-36, as amended;

"**CCAA Court**" means the Supreme Court of British Columbia;

"**CCAA Filing Date**" means March 30, 2021;

"**CCAA Conversion Order**" means the Order of the Honourable Madam Justice Fitzpatrick granted in the CCAA Proceedings on March 30, 2021, a copy of which is attached hereto as Schedule "D", as amended, restated, varied or extended from time to time by subsequent Orders;

"**CCAA Proceedings**" means the proceedings commenced by the Petitioner under the CCAA on March 11, 2021 in the CCAA Court, bearing Supreme Court of British Columbia Court No. S212302;

"**Claim**" means (i) any right or claim of any Person that may be asserted or made in whole or in part against the Petitioner or any of its D&Os, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including without limitation, by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature including, without limitation, any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action whether existing at present or commenced in the future together with any other rights or claims of any kind that, if unsecured, would be a debt provable in bankruptcy within the meaning of the BIA; (ii) any D&O Claim or D&O Indemnity Claim; and (iii) any Tax Claim;

"**Claims Process Order**" means the Order of the CCAA Court dated April 8, 2021, a copy of which is attached as Schedule "F", as it may be amended, restated or varied;

"**Convenience Creditors**" has the meaning given to such term in Subparagraph 5.2c of this Plan;

"**Conversion**" means the conversion of the BIA Proceedings to the CCAA Proceedings pursuant to the terms of the CCAA Conversion Order;

"**Creditor's Meeting**" means the meeting of Affected Creditors called for the purposes of considering and voting in respect of this Plan, which has been set by the Creditor's Meeting Order to take place at 3:00 p.m. (Pacific Daylight Time) on May 11, 2021, and any postponements or adjournments thereof;

"**Creditor's Meeting Order**" means the Order granted April 8, 2021, ordering and declaring, among other things, the procedures to be followed in connection with the Creditor's Meeting, as amended, restated or varied from time to time by subsequent Orders;

"**Crown**" means Her Majesty in right of Canada or a province of Canada;

"**Current Funds**" means the funds, including the EFT Funds, available for distribution on the Plan Implementation Date;

"**D&O**" means collectively and individually, all current and former directors and officers of EncoreFX and, for greater clarity, specifically includes Peter Gustavson;

"**D&O Claim**" means any Claim that has been, could have been, or may be asserted or made in whole or in part against one or more D&O;

"**D&O Indemnity Claim**" means any existing or future right of any D&O as against EncoreFX, which arose or arises as a result of any person filing a Proof of Claim asserting a D&O Claim in respect of such D&O or which such D&O is entitled to be indemnified by EncoreFX;

"**Date of Bankruptcy**" means March 30, 2020;

"**Disputed Claim**" means that portion of an Affected Claim which has not been allowed or accepted as proven by the Monitor for distribution purposes, which is the subject of a Dispute Notice, and which has not been resolved by the Monitor, by agreement or by further Order, and "Disputed Claims" means all of them;

"**Disputed Claims Reserve**" means the reserve, if any, established and maintained by the Monitor, in which the Monitor shall deposit the amounts which would be distributed to holders of Disputed Claims if such Disputed Claims were to become Proven Distribution Claims, pending the final determination or resolution of such Disputed Claims for distribution purposes under this Plan;

"**Distribution Date**" means a date to be chosen by the Monitor to distribute the Distributed Claims Reserve in respect of any Disputed Claims which become Proven Distribution Claims. Any remaining Disputed Claims as of the Distribution Date, which shall distributed no later than seven (7) days following the date, if any, on which such Disputed Claim becomes a Proven Distribution Claim;

"**Effective Time**" means the first moment on the Plan Implementation Date;

"**EFT Claim**" means upon BMO's payment to the Trustee of amounts totalling CAD $4,339,614.62 and USD $1,171,279.45 (the "**EFT Funds**"), BMO shall receive an accepted general unsecured claim in the amount of CAD $8,379,651.20 and USD $1,903,078.91 comprising the following amounts: (a) claims in respect of EFT returns that BMO made in the amount of CAD $8,217,870.15 and USD $1,890,331.90; (b) BMO's counsel's fees and costs in the amount of CAD $137,200.25 as of January 15, 2021; (c) other amounts owed to BMO by EncoreFX being CAD $11,545.62 and USD $12,747.01 for Mastercard, and CAD $13,035.18 for account fees, plus any amounts, including interest and costs, which accrued due after January 15, 2021 up to the date of the filing of the Proof of Claim;

"**EFT Reversals**" means the post-bankruptcy reversal of electronic fund transfers by certain customers to EncoreFX;

"**Employees**" means the former employees of EncoreFX, and "Employee" means any one of them;

"**Employee Claims**" means any Claims by Employees for termination, bonus and/or severance pay;

"**Estate**" means the bankrupt estate of EncoreFX bearing Estate No. 11-2634864;

"**Estate Claims**" means the Causes of Action of the Trustee or Monitor in connection with "out-of-the money" positions held by clients of EncoreFX, and any other remaining Causes of Action of the Estate against any Person;

"**EncoreFX**" means EncoreFX Inc.;

"**Excluded Claims**" has the meaning given to such term in Section 4.2 of this Plan;

"**GCC**" means Gustavson Capital Corporation;

"**GCC Secured Claim**" means the Claim of GCC against EncoreFX pursuant to the grid note dated September 22, 2015 and secured by the general security agreement dated March 31, 2016 in the amount of $35,888,950;

"**General Unsecured Claims**" has the meaning given to such term in Paragraph 3.1c of this Plan;

"**GUCs**" or "**General Unsecured Creditors**" has the meaning given to such term in Paragraph 3.1c of this Plan;

"**Gustavson Parties**" means collectively Peter Gustavson, GCC, and any officers and directors of GCC;

"**Initial Distributions**" has the meaning given to such term in Paragraph 6.2a of this Plan;

"**Inspectors**" means the inspectors of the Estate appointed within the BIA Proceedings;

"**ITA**" means the Income Tax Act (Canada), R.S.C. 1985, c.1 (5th Supp.), as amended to the date of this Plan;

"**ITM Creditor**" means an Affected Creditor of EncoreFX whose Affected Claim is an "in-the-money" hedged foreign exchange transaction, where "in-the-money" means that such an ITM Creditor is in a positive net aggregate mark-to-market position regarding its hedged transaction(s) with EncoreFX, and "**ITM Creditors**" means all of them;

"**Margin Deposits**" means any margin deposits or upfront deposits paid by any claimants to EncoreFX pursuant to a margin call or a request for an upfront deposit prior to the Date of Bankruptcy;

"**Monitor**" means Ernst & Young Inc., solely in its capacity as Court-Appointed Monitor of the Petitioner in the CCAA Proceedings, and not in its corporate or personal capacity;

"**Monitor's Discharge Certificate**" has the meaning given to it in Section 9.4 of this Plan and shall be substantially in the form attached hereto as Schedule "D";

"**Monitor's Plan Certificate**" has the meaning given to it in Section 9.3 of this Plan and shall be substantially in the form attached hereto as Schedule "C";

"**Order**" means any order of the CCAA Court in the CCAA Proceedings, and "**Orders**" means all of them;

"**Oversight Committee**" means the committee established pursuant to Section 7.1 of this Plan;

"**Person**" shall be broadly interpreted and includes an individual, firm, partnership, joint venture, venture capital fund, limited liability company, unlimited liability company, association, trust, corporation, unincorporated association or organization, syndicate, committee, the government of a country or any political subdivision thereof, or any agency, board, tribunal, commission, bureau, instrumentality or department of such government or political subdivision, or any other entity, howsoever designated or constituted, including any Taxing Authority, and the trustees, executors, administrators, or other legal representatives of an individual, and for greater certainty includes any Authorized Authority;

"**Petitioner**" means EncoreFX;

"**Plan**" means this Plan of Compromise and Arrangement, as it may be amended, restated, or supplemented from time to time in accordance with the provisions of this Plan, the Claims Process Order and the Creditor's Meeting Order;

"**Plan Implementation Date**" means the Business Day immediately following the Business Day on which the Monitor files with the CCAA Court the Monitor's Plan Certificate confirming that all conditions to implementation of this Plan as set out in Section 9.2 of this Plan have been satisfied, fulfilled or waived;

"**Priority Payments**" means payments to be made pursuant to the Plan which are required to be paid in priority to payments to Affected Creditors in accordance with Applicable Laws;

"**Proof of Assignment**" means a notice of transfer or assignment of a Claim executed by the Creditor and the transferee or assignee, together with such other evidence of such transfer or assignment as may be reasonably required by the Monitor and/or the Petitioner;

"**Proof of Claim**" means a proof of claim in the prescribed forms submitted to the Trustee or Monitor by an Affected Creditor in the BIA Proceedings or in accordance with the Claims Process Order, and "**Proofs of Claim**" means all of them;

"**Property Claim**" means a Claim solely in respect of such Property Claimant's "in flight" funds or holding account funds with the Property Claimant's account with the Petitioner as at the Date of Bankruptcy, and "**Property Claims**" means all of them;

"**Property Claim Distributions**" has the meaning given to such term in Paragraph 5.2b of this Plan;

"**Property Claimants**" has the meaning given to such term in Paragraph 3.1b of this Plan;

"**Property Deficiency Claims**" has the meaning given to such term in Paragraph 5.2b of this Plan;

"**Property Proof of Claim**" means a reclamation of property form in the prescribed form (Form 74) submitted to the Trustee or Monitor by an Affected Creditor in the BIA Proceedings or in accordance with the Claims Process Order;

"**Proven Distribution Claim**" means an Affected Claim as finally determined or allowed for distribution purposes in accordance with the Claims Process Order, any other Order and/or this Plan, as applicable, and "**Proven Distribution Claims**" means all of them;

"**Proven Voting Claim**" means the amount of an Affected Claim as finally determined or allowed for voting purposes in accordance with the Claims Process Order, any other Order and/or this Plan, as applicable, and "**Proven Voting Claims**" means all of them;

"**Remaining Funds**" means the Available Funds net of the Priority Payments, the Secured Claim Distribution, the Property Claim Distributions, the Unsecured Claim Distributions, and the Reserves.

"**Required Majority of Creditors**" means, in respect of each of the three (3) Affected Creditor Classes, that preponderance of Votes Cast whereby: (a) the number of Affirmative Votes exceeds fifty per cent (50%) of the Votes Cast; and (b) the value of the Proven Voting Claims attributable to Affirmative Votes equals or exceeds sixty-six and two-thirds per cent (66 2/3 %) of the value of the Proven Voting Claims attributable to the Votes Cast;

"**Reserves**" has the meaning given to such term in Paragraph 6.3a of this Plan;

"**Sanction Order**" means an Order sanctioning this Plan and giving all necessary directions regarding its implementation, which shall include the provisions set forth in Section 9.1 of this Plan;

"**Secured Creditor**" has the meaning given to such term in Paragraph 3.1a of this Plan;

"**Secured Claim Distribution**" has the meaning given to such term in Paragraph 5.2a of this Plan;

"**Secured Deficiency Claim**" has the meaning given to such term in Paragraph 5.2a of this Plan;

"**Secured Preferred Claim**" has the meaning given to such term in Paragraph 5.2a of this Plan;

"**Service List**" has the meaning ascribed to it in the preamble of the CCAA Conversion Order;

"**Special Crown Claims**" means Claims of the Crown for all amounts that were outstanding at the CCAA Filing Date and are of a kind that could be subject to a demand under:

a. subsection 224(1.2) of the ITA;

b. any provision of the *Canada Pension Plan* or of the *Employment Insurance Act* that refers to subsection 224(1.2) of the ITA and provides for the collection of a contribution, as defined in the *Canada Pension Plan*, or an employee's premium, or employer's premium, as defined in the *Employment Insurance Act*, and of any related interest, penalties or other amounts; or

c. any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the ITA, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum:

    i. has been withheld or deducted by a Person from a payment to another Person and is in respect of a tax similar in nature to the income tax imposed on individuals under the ITA, or

    ii. is of the same nature as a contribution under the *Canada Pension Plan* if the province is a "province providing a comprehensive pension plan" as defined in subsection 3(1) of the *Canada Pension Plan* and the provincial legislation establishes a "provincial pension plan" as defined in that subsection;

"**Tax**" or "**Taxes**" means any and all amounts subject to a withholding or remitting obligation and any taxes, duties, fees and other governmental charges, duties, impositions and liabilities of any kind whatsoever whether or not assessed by the Taxing Authorities (including any Claims by any of the Taxing Authorities), including all interest, penalties, fines, fees, other charges and additions with respect to such amount;

"**Tax Claim**" means any Claim against the Petitioner for any Taxes in respect of any taxation year or period ending on or prior to the CCAA Filing Date, and in any case where a taxation year or period commences on or prior to the CCAA Filing Date, for any Taxes in respect of or attributable to the portion of the taxation period commencing prior to the CCAA Filing Date and up to and including the CCAA Filing Date;

"**Taxing Authorities**" means Her Majesty the Queen, Her Majesty the Queen in right of Canada, Her Majesty the Queen in right of any province or territory of Canada, the Canada Revenue Agency, any similar revenue or taxing authority of each and every province or territory of Canada and any political subdivision thereof, and any Canadian or foreign governmental authority exercising taxing powers in administering and/or collecting Taxes;

"**Term Sheet**" means the term sheet dated January 15, 2021 between the Trustee, Wrede and the Gustavson Parties setting out the basic terms of this Plan, which is attached hereto as Schedule "B";

"**Trustee**" means Ernst & Young Inc., solely in its capacity as Trustee in Bankruptcy of the EncoreFX in the BIA Proceedings, and not in its corporate or personal capacity;

"**Unsecured Claim Distributions**" has the meaning giving to such term in Paragraph 5.2c of this Plan;

"**USD**" or "**USD $**" means dollars denominated in the lawful currency of the United States of America;

"**Votes Cast**" means the sum of the Affirmative Votes and the Negative Votes of the Affected Creditors with Proven Voting Claims;

"**WEPPA**" means the *Wage Earner Protection Program Act*, S.C. 2005, c.47, as amended;

"**Withheld Amount**" has the meaning given to such term in Section 6.6 of this Plan; and

"**Wrede**" means Mr. Andreas Wrede.

SCHEDULE "B"

Term Sheet

TERM SHEET FOR ENCOREFX INC. PLAN

THIS TERM SHEET (THE "**TERM SHEET**") DESCRIBES THE TERMS OF PLAN OF ARRANGEMENT (THE "**PLAN**") PURSUANT TO THE COMPANIES CREDITORS ARRANGMENT ACT R.C.C. 1985, C. C-36 (THE "**CCAA**") TO BE FILED AND PRESENTED TO THE CREDITORS OF ENCOREFX INC. ("**ENCOREFX**" OR THE "**COMPANY**") AFTER THE CONVERSION OF THE BANKRUPTCY OF ENCOREFX INTO A PROCEEDING UNDER THE CCAA (THE "**CONVERSION**") PURSUANT TO S. 11.6 (B) OF THE CCAA BY AND AMONG (A) ERNST & YOUNG INC., ("EY") IN ITS CAPACITY AS THE TRUSTEE-IN-BANKRUPTCY (THE "**TRUSTEE**") OF ENCOREFX INC. ("**ENCOREFX**" OR THE "**COMPANY**"); (B) ANDREAS WREDE ("**WREDE**"); AND (C) GUSTAVSON CAPITAL CORPORATION ("**GCC**") AND PETER GUSTAVSON (TOGETHER WITH GCC, AND ANY OFFICERS OR DIRECTORS OF GCC, THE "**GUSTAVSON PARTIES**").

Term	*Summary*
Purpose:	The purpose of the Term Sheet is to set forth indicative terms for a global resolution of the various claims as against the estate of EncoreFX (the "**Estate**") and govern the distributions of all funds and other assets recovered by the Trustee and that may be recovered EY in its capacity as Monitor under the CCAA (the "**Monitor**") after the Conversion. The parties to this Term Sheet (the "**Parties**") intend to develop and finalize a Plan, consistent with this Term Sheet in all respects, to present to the creditors of EncoreFX and the Supreme Court of British Columbia (the "**Bankruptcy Court**") for approval in accordance with the CCAA.
Classes of Creditors for Distribution Purposes:	The Plan shall comprise of three (3) classes of creditors (the "**Classes**") for distribution purposes: • Secured Creditors o The class of secured creditors (the "**Secured Creditors**") shall comprise GCC with respect to its secured claim (the "**Secured Claim**"). • Property Claimants o The class of property claimants (the "**Property Claimants**") shall comprise creditors which have outstanding property claims with respect to "in flight" funds or holding account funds (the "**Property Claims**"), *provided that,* if the Bankruptcy Court determines claims related to "in flight" funds are determined to not be Property Claims such claims shall be treated as General Unsecured Claims as set forth below. The Property Claimant may also include claimants: (i) who had initiated EFT reversals and, (ii) who have paid the Trustee the full amount of their EFT reversals and costs of the Trustee related to the seeking any relief of any claimant and,

Term	*Summary*
	(iii) who had filed property proofs of claims in respect of their EFT reversals and, (iv) where the property proofs of claims filed had, in the Trustee's opinion, been properly filed in respect of Property Claims. Any property claim asserted with respect to margin deposits shall not constitute a Property Claim for the purpose of the Plan. • General Unsecured Creditors o The class of general unsecured creditors (the "**GUCs**") shall comprise any other remaining creditors which have general unsecured claims (the "**General Unsecured Claims**"), including: (a) former employees of EncoreFX (the "**Employees**") with respect to claims for termination, bonus and/or severance pay (the "**Employee Claims**"); (b) creditors with claims with respect to "in-the-money" positions; (c) creditors who have margin deposit claims; (d) creditors with "in flight" funds or holding account funds which did not submit property claims or which have property claims that have been disallowed on a final basis or determined by the Bankruptcy Court or another court of comptentent jurisdiction to not have a Property Claim; (e) trade creditors; and (e) Bank of Montreal ("**BMO**") in respect of the EFT Claim (as defined below).
Classes of Creditors for Voting Purposes	The Plan shall compromise the following Classes of creditors for voting purposes: • Property Claimants; • General Unsecured Creditors; and • Secured Creditors
Available Funds:	The funds available ("**Available Funds**") for distribution to the creditors of EncoreFX primarily comprise of the following: • Funds currently held by the Trustee (the "**Current Funds**"); • The EFT Funds (as defined below); and • Additional funds to be recovered by the Trustee and the Monitor with respect to claims made in connection with "out-of-the-money" positions held by clients of EncoreFX, and any other claims of the Estate (the "**Estate Claims**").

Term	*Summary*
Priority Payments:	From the Available Funds the Monitor shall first pay all of the priority payables as are required by law to be paid, including: • WEPPA claims; and • Amounts required to be paid by sections 6(3) and 6(5) of the CCAA. (the "**Priority Payments**")
Secured Claim Treatment:	In full and final satisfaction of the Secured Claim, GCC shall receive: (a) a distribution from the Current Funds and EFT Funds (the "**Secured Claim Distribution**") of \$12,000,000; (b) an accepted preferred claim of \$4,944,475 (the "**Secured Preferred Claim**"); (c) an accepted deficiency claim equal to \$18,944,475 (the "**Secured Deficiency Claim**").
Property Claim Treatment:	In full and final satisfaction of the Property Claims, the Property Claimants shall receive: (a) a distribution from the Current Funds and EFT Funds (the "**Property Claim Distributions**") equal to 66.67% of their respective Property Claim (the "**Property Claim Distribution**"); and (b) an accepted deficiency claim equal to the amount of their Property Claim minus any amounts received from the Property Claim Distribution (the "**Property Deficiency Claims**"). The amount of any accepted Property Claim shall be net of any amounts owing by the Property Claimant to the Estate in respect of any "out-of-the-money" positions, or any other debt owed to the Estate by the Property Claimant. Under the Plan, Wrede shall have an accepted Property Claim of \$28,966,892.58.
General Unsecured Claim Treatment:	In full and final satisfaction of the General Unsecured Claims, the GUCs may elect to receive a distribution from the Current Funds and EFT Funds (the "**Unsecured Claim Distributions**") equal to either (a) 100% of their respective General Unsecured Claim with respect to the first \$5,000 of their General Unsecured Claim, or (b) 16% of their respective General Unsecured Claim; For those GUCs who are owed \$5,000 or less, and for those GUCs who are owed between \$5,000 and \$31,250 and who elect to accept \$5,000 in full and final satisfaction of their claims (together, the "**\$5,000 Electors**"), then in each such case the \$5,000 Electors shall be deemed to have voted in favour of the Plan. The amount of any accepted General Unsecured Claim shall be net of any amounts or any other debts owed to the Estate by the GUC.
EFT Funds:	In full and final satisfaction of the Estate's rights and claims as against BMO with respect to any EFT reversals, BMO (as soon as reasonably practicable following execution of this Term Sheet and, in no event, later than the date on which the Trustee files the motion seeking the Meeting and Conversion Order (as defined below)) shall pay the Trustee \$4,342,444 and \$1,551,331 USD[1] plus the Trustee's fees and expenses of \$350,000 (the "**EFT Funds**"). Upon payment of

[1] These are amounts as of December 3, 2020, and need to be adjusted for conversion to CAD, and any further costs and recoveries by the Trustee.

Term	*Summary*
	the EFT Funds to the Trustee, BMO shall receive an accepted general unsecured claim (the "**EFT Claim**") in the amount of: • The amount of the EFT Funds paid to the Trustee; • The amount of \$3,875,426 and \$399,000 USD representing EFT reversals paid by BMO which were not reimbursed from the funds in the EncoreFX bank accounts at BMO as of the date of bankruptcy[2]; and • BMO's counsel's fees and costs estimated in the amount of \$125,000[3]; and • Other amounts owed to BMO by EncoreFX estimated in the amount of \$25,000 and \$13,000 USD[4]. For greater certainty, the Trustee shall not be required to seek the Meeting and Conversion Order until the EFT Funds are received from BMO.
EFT Recoveries:	The Trustee and the Monitor shall take reasonable actions and steps to seek recovery from clients of EncoreFX who benefited from EFT reversals (the "**EFT Reversal Clients**" or an "**EFT Reversal Client**"). BMO is to cooperate with the Trustee and the Monitor, and GCC shall fully indemnify the Trustee and BMO with respect to any costs that the Trustee, the Monitor and their counsel or BMO and its counsel may incur with respect to seeking recovery from the EFT Reversal Clients. If the Trustee or the Monitor determines that reasonable recovery efforts have been exhausted, the Trustee or the Monitor may seek an order from the Bankruptcy Court ceasing any requirement for it to further pursue the EFT Reversal Clients and may assign all of the Estate's remaining rights and claims against the EFT Reversal Clients to BMO and/or GCC. GCC shall consent to such order provided reasonable efforts have been made to seek recovery from the EFT Reversal Clients. The Trustee and the Monitor shall provide monthly invoices to GCC for the services which have been provided by the Trustee, the Monitor and its counsel for the immediately preceding month in resepct of the pursuit of recovery from the EFT Reversal Clients. GCC shall pay such invoices with 10 days of receipt. Any funds recovered by the Trustee or the Monitor from the EFT Reversal Clients prior to the Plan being approved and implemented shall be paid to BMO or any assignee of BMO and, upon such payment, BMO's unsecured claim shall be reduced accordingly.
Remaining Funds:	The Available Funds net of the Priority Payments, the Secured Claim Distribution, the Property Claim Distributions, the Unsecured Claim Distributions, and the Administrative Reserve, (the "**Remaining Funds**") shall be paid as follows:

[2] These are amouts as at December 7, 2020 and need to be adjusted for conversion to CAD.
[3] To be adjusted if actual amount of BMO's costs is different.
[4] Amounts to be confirmed, adjusted if necessary, and converted to CAD

Term	*Summary*
	• *First*, to GCC in satisfaction of the Secured Preferred Claim; and • *Second*, following payment in full of the Secured Preferred Claim, *pro-rata* among the Secured Deficiency Claim, and the Property Deficiency Claims.
Administrative Reserve:	The Trustee or the Monitor shall deposit $4,000,000 (the "**Administrative Reserve**") into a separate account for the purpose of funding the Trustee and for the Monitor to pursue the Estate Claims at the direction of the inspectors (the "**Inspectors**") and funding any other reasonable costs and expenses of the Estate. Any additional recoveries from the Trustee and/or the Monitor on account of the Estate Claims shall top up the Administrative Reserve prior to being used to fund interim distributions to creditors in accordance with the Plan.
Timing of Interim Distributions:	The Monitor shall complete the Priority Payments, Secured Claim Distribution, Property Claim Distributions, and Unsecured Claim Distributions as soon as reasonably practicable following implementation of the Plan. The Monitor shall subsequently distribute the Remaining Funds in excess of the Administrative Reserve in accordance with the Plan at intervals determined by the Oversight Committee (as herein defined) or the Bankruptcy Court, *provided however*, the Monitor shall distribute all of the Remaining Funds in excess of the Administrative Reserve if such amount is at any time in excess of $5,000,000. Any funds in the Administrative Reserve shall be distributed on the final distribution made to creditors of EncoreFX in accordance with the Plan.
Oversight Committee:	Upon the Conversion, each of GCC and Wrede shall nominate one person who together with the Monitor shall form the Oversight Committee. The purpose of the Oversight Committee shall be, *inter alia*, to review and approve settlements with OTM customers, EFT customers, Property Claimaints and generally deal with the realization of the assets of EncoreFX. The Meeting and Conversion Order shall provide that the Oversight Committee shall not incur any liability with respect to any steps and actions taken in fulfilling their mandate except for gross negligence or willful misconduct.
Releases:	Upon approval and sanctioning of the Plan, and the initial distribution from the Current Funds and the EFT Funds, the Monitor will provide a full and final release of the Estate's rights and claims against the Gustavson Parties.
Other Terms:	• Payment of the Remaining Funds by the Monitor to the creditors as set out in the distribution schedule shall, upon the discharge of the Monitor and approval of the Superintenent in Bankruptcy, operate to annul the bankruptcy of the Company, and to re-vest in the Company all of the right, title, and interest of the Monitor in the property of the Company as of the date of the discharge of the Monitor. • Unless otherwise ordered by the Bankruptcy Court, the Monitor shall not conduct any new claims process with respect of the CCAA proceedings and all steps and actions taken in the BIA proceedings shall apply *mutatis mundis* in the CCAA proceedings, including the order of the Bankruptcy

Term	*Summary*
	Court dated October 1, 2020 setting down the claim of Wrede to be determined by trial of an issue. • The exchange rate for claims under the Plan shall be the date of bankruptcy, unless otherwise determined by the Trustee or Monitor or as may be determined by the Bankruptcy Court. • Except as otherwise expressly set out in this Term Sheet, all currency or dollar amounts are stated in Canadian dollars.
Conditions Precedent:	The Plan and transactions, compromises and settlements contained therein shall be conditional upon: • Issurance of order by the Bankruptcy Court converting the bankruptcy proceedings to proceedings under the CCAA and establishing meeting procedures to vote on the Plan, in a form satisfactory to the Monitor, the Trustee, Wrede, and the Gustavson Parties (the "**Meeting and Conversion Order**"); • Approval of the Plan by the required majorities of the Classes in accordance with the CCAA; • Issuance of a sanction order by the Bankruptcy Court, in a form satisfactory to the Monitor, Wrede, and the Gustavson Parties (the "**Sanction Order**"); • Receipt of the EFT Funds by the Trustee; and • Disallowance of the claim of Travelers Canada on a final basis.
Binding Nature:	• Upon the execution of this Term Sheet all Parties shall be obligated to proceed in good faith as expeditiously as possible to negotiate, finalize, execute and deliver all documents contemplated hereby or as otherwise may be necessary to effectuate the terms and intent of this Term Sheet. • The Parties agree that the Bankruptcy Court shall retain jurisdiction over the Parties to enforce the terms of this Term Sheet and any definitive documentation relating thereto and any other matters related to the Proposal. • This Term Sheet may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Signatures delivered by facsimile or by email in PDF format shall constitute originals for all purposes.
Milestones:	• Time is of the essence with respect to implementing any Plan in accordance with the Term Sheet. • The Parties shall take all reasonable steps to:

Term	*Summary*
	o Obtain the issuance of the Meeting and Conversion Order by January 31, 2021; o Hold the meetings of creditors for each of the Classes by February 21, 2021 to vote on the Plan; and o Obtain the issuance of the Sanction Order by March 15, 2021.
Governing Law:	British Columbia

IN WITNESS WHEREOF, the Parties execute this Term Sheet as of January 15 , 2021.

ERNST AND YOUNG INC., IN ITS CAPACITY AS TRUSTEE-IN-BANKRUPTCY OF ENCOREFX INC., NOT IN ITS PERSONAL CAPACITY

By: ______________________

Mike Bell

GUSTAVSON CAPITAL CORPORATION

By: ______________________

Title:

____

Name: Peter Gustavson

____

Name: Andreas Wrede

IN WITNESS WHEREOF, the Parties execute this Term Sheet as of January ____, 2021.

ERNST AND YOUNG INC., IN ITS CAPACITY AS TRUSTEE-IN-BANKRUPTCY OF ENCOREFX INC., NOT IN ITS PERSONAL CAPACITY

By: ______________________________

Title

GUSTAVSON CAPITAL CORPORATION

By: ______________________________

Title: DIRECTOR

____

Name: Peter Gustavson

____

Name: Andreas Wrede

SCHEDULE "C"

Form of Monitor's Plan Certificate

No: ____________
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF ENCOREFX INC.

PETITIONER

MONITOR'S PLAN CERTIFICATE

RECITALS

A. Pursuant to the Order of this Honourable Court dated March 30, 2021 (the "**CCAA Conversion Order**"), the Petitioner filed for and obtained protection from its creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended.

B. Pursuant to the CCAA Conversion Order, Ernst & Young Inc. was appointed the Monitor of the Petitioner (the "**Monitor**") with the powers, duties and obligations set out in the CCAA Conversion Order.

C. The Petitioner has filed the Plan of Compromise and Arrangement under the CCAA dated April 6, 2021 (the "**Plan**"), which Plan has been approved by the Required Majority of Creditors and sanctioned by the Court.

D. Capitalized terms not defined herein have the meanings ascribed to them in the Plan.

THE MONITOR HEREBY CERTIFIES that the conditions precedent set out in Section 9.2 of the Plan have been satisfied or waived in accordance with the Plan on ____________, 2021 and that accordingly, the Plan Implementation Date is ____________, 2021

DATED at _________, ____________, this ___ day of _______________, 2021.

ERNST & YOUNG INC. in its capacity as Monitor of the Petitioner and not in its personal or corporate capacity

Per: ____________________________
Name:
Title:

SCHEDULE "D"

Form of Monitor's Discharge Certificate

No: ______________
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF ENCOREFX INC.

PETITIONER

MONITOR'S DISCHARGE CERTIFICATE

RECITALS

A. Pursuant to the Order of this Honourable Court dated March 30, 2021 (the "**CCAA Conversion Order**"), the Petitioner filed for and obtained protection from its creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended.

B. Pursuant to the CCAA Conversion Order, Ernst & Young Inc. was appointed the Monitor of the Petitioner (the "**Monitor**") with the powers, duties and obligations set out in the CCAA Conversion Order.

C. The Petitioner has filed the Plan of Compromise and Arrangement under the CCAA dated April 6th, 2021 (the "**Plan**"), which Plan has been approved by the Required Majority of Creditors and sanctioned by the Court.

D. Capitalized terms not defined herein have the meanings ascribed to them in the Plan.

THE MONITOR HEREBY CERTIFIES that, in the sole opinion of the Monitor, the Monitor has completed the duties and obligations imposed upon it by the CCAA Conversion Order and the

CCAA. Accordingly, pursuant to the CCAA Conversion Order and the Plan, the Monitor is discharged.

DATED at __________, ____________, this ___ day of ________________, 2021.

ERNST & YOUNG INC. in its capacity as Monitor of the Petitioner and not in its personal or corporate capacity

Per: ______________________________
Name:
Title:

SCHEDULE "E"

CCAA Conversion Order

No. S212302
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF ENCOREFX INC.

PETITIONER

ORDER MADE AFTER HEARING
(Conversion Order)

BEFORE	THE HONOURABLE MADAM JUSTICE FITZPATRICK	MARCH 30, 2021

ON THE APPLICATION of the Petitioner, EncoreFX Inc. ("**EncoreFX**"), by its Trustee in Bankruptcy, Ernst & Young Inc. and not in its personal capacity, coming on for hearing, via MS Teams, at the Law Courts, 800 Smithe Street, in the City of Vancouver, British Columbia, on the 30th day of March, 2021 (the "**Order Date**"); **AND ON HEARING** William E.J. Skelly, counsel for Ernst and Young Inc. ("**EY**") in its capacity as the Trustee in Bankruptcy (the "**Trustee**") and in its proposed role as the monitor (the "**Monitor**") of EncoreFX, and those other counsel listed on **Schedule "A"** hereto; **AND ON NOTING** the consent of EY to act as Monitor; **AND ON READING** the pre-filing report of the proposed Monitor dated March 11, 2021 (the "**Pre-Filing Report**"); **AND ON BEING ADVISED** that the Trustee seeks to convert the bankruptcy of EncoreFX into a liquidating proceeding pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36 as amended (the "**CCAA**"); **AND PURSUANT TO** the CCAA, the British Columbia Supreme Court Civil Rules and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS AND DECLARES THAT:

SERVICE

1. The time for service of this Petition and Notice of Hearing and the supporting materials in respect thereof is hereby abridged and validated so that this Notice of Hearing is properly returnable on the date of this Order (the "**Order Date**"), and further service is hereby dispensed with.

JURISDICTION

2. EncoreFX is a company to which the CCAA applies.

CONTINUANCE UNDER THE CCAA

3. Effective March 30, 2021, EncoreFX's bankruptcy proceedings bearing Court File No. VLC-S-B-200204 and bankruptcy Estate No.11-2634864 (the "**BIA Proceedings**") commenced under the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3, as amended (the "**BIA**") are hereby taken up and continued under the CCAA and as of such date, the BIA Proceedings are hereby stayed (the **"Stay"**) pending further application, save that any and all sales, disposition of property, payments duly made, acts done, steps, agreements and procedures validly taken, done or entered into by EncoreFX or the Trustee during the BIA Proceedings shall remain valid, binding, and actionable within these proceedings (the "**CCAA Proceedings**"), notwithstanding the commencement of the CCAA Proceedings, including but not limited to:

  a. the sale of any assets, property or undertaking of any of EncoreFX that was approved by this Court or otherwise permitted in the BIA Proceedings;

  b. the examination of any proofs of claim delivered by a creditor of EncoreFX within the BIA Proceedings pursuant to s. 81 and s. 124 of the BIA, including but not limited to proofs of claim for which a final determination as to the admission or disallowance of such proofs of claim was not finalized as at the granting of this Order;

c. the continuation of all proceedings, including in respect of the following:

(i) any litigation proceedings commenced by the Trustee as against any OTM Clients (as defined at paragraph 50 of the Pre-Filing Report) (the "**OTM Client Claims**") and the Monitor is authorised and directed to file amended OTM Client Claims wherein the amendment shall be to change the capacity in which EY has sued the defendants from its capacity as Trustee to its capacity as Monitor of EncoreFX (the "**Amended OTM Client Claims**")

(ii) any extant Property Claims, including any appeals thereof (as defined at paragraph 62 of the Pre-Filing Report);

(iii) any extant EFT Reversals (as defined at paragraph 77 of the Pre-Filing Report), including any appeals thereof;

(iv) any claim advanced by EY in respect of the AgraCity Double Dip Amount (as defined at paragraph 83 of the Pre-Filing Report);

(v) the Proof of Claim in respect of the Australian Subsidiary (as defined at paragraph 12 of the Petition filed on March 11, 2021); and

(vi) the mediation (as referenced at paragraph 55 of the Pre-Filing Report).

4. All orders pronounced by the Honourable Madam Justice Fitzpatrick in the BIA Proceeding apply to and are continued under the CCAA Proceedings, except as amended by the terms of this Order.

5. This Order shall be filed in the BIA Proceedings.

SUBSEQUENT HEARING DATE

6. The hearing of EncoreFX's application for an extension of the Stay Period (as defined in paragraph 15 of this Order) and for any ancillary relief shall be held at the Courthouse (or as determined by the Court) at 800 Smithe Street, Vancouver, British Columbia at 2:00 p.m. on Thursday, the 8th day of April, 2021 or such other date as this Court may order.

PLAN OF ARRANGEMENT

7. EncoreFX shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**").

POSSESSION OF PROPERTY AND OPERATIONS

8. Subject to this Order and any further Order of this Court, EY shall remain in possession and control of EncoreFX's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"), and continue to administer EncoreFX's business (the "**Business**") in a manner consistent with the preservation of the Business and the Property. EY shall be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively, "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for carrying out the terms of this Order.

9. EY shall be entitled, but not required, to pay the following expenses which may have been incurred by EncoreFX prior to March 30, 2020 (the "**Bankruptcy Date**"):

a. all outstanding wages, salaries, employee and pension benefits (including long and short term disability payments), vacation pay and expenses (but excluding severance pay) payable before or after the Bankruptcy Date, in each case incurred in the ordinary course of business and consistent with the relevant compensation policies and arrangements existing at the time incurred (collectively "**Wages**"); and

b. the fees and disbursements of any Assistants retained or employed by EncoreFX which are related to EncoreFX's liquidation, at their standard rates and charges, including payment of the fees and disbursements of legal counsel retained by EY, whenever and wherever incurred, in respect of:

   i. these proceedings or any other similar proceedings in other jurisdictions in which EncoreFX is domiciled;

   ii. any litigation in which EncoreFX is named as a party or is otherwise involved, whether commenced before or after the Bankruptcy Date; and

   iii. any related corporate matters.

10. Except as otherwise provided herein, EY shall be entitled to pay all expenses reasonably incurred in carrying on the Business of EncoreFX following the Bankruptcy Date, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

a. all obligations incurred by EncoreFX after the Bankruptcy Date, including without limitation, with respect to goods and services actually supplied to EncoreFX following the Bankruptcy Date; and

b. fees and disbursements of the kind referred to in paragraph 9.b. which may be incurred after the Bankruptcy Date.

11. EY is authorized to remit, in accordance with legal requirements, or pay:

a. any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from Wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes or any such claims which are to be paid pursuant to Section 6(3) of the CCAA;

b. all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by EncoreFX in connection with the sale of goods and services by EncoreFX, but only where such Sales Taxes accrue or are collected after the Bankruptcy Date, or where such Sales Taxes accrued or were collected prior to the Bankruptcy Date but not required to be remitted until on or after the Bankruptcy Date; and

c. any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal property taxes, municipal business taxes or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors.

12. Except as specifically permitted herein, EY is hereby directed, until further Order of this Court:

a. to make no payments of principal, interest thereon or otherwise on account of amounts owing by EncoreFX to any of its creditors as of the Bankruptcy Date except as authorized by this Order;

b. to make no payments in respect of any financing leases which create security interests;

c. to grant no security interests, trust, mortgages, liens, charges or encumbrances upon or in respect of any of EncoreFX's Property, nor allow EncoreFX to become a guarantor or surety, nor otherwise to allow EncoreFX to become liable in any manner with respect to any other person or entity except as authorized by this Order;

d. to not grant credit except in the ordinary course of the Business only to EncoreFX customers for goods and services actually supplied to those customers, provided such customers agree that there is no right of set-off in respect of amounts owing for such goods and services against any debt owing by EncoreFX to such customers as of the Bankruptcy Date; and

e. to not incur liabilities except in the ordinary course of Business.

LIQUIDATION

13. Subject to such requirements as are imposed by the CCAA, EY shall have the right to take any and all steps necessary to realize upon and liquidate the assets of EncoreFX, including but not limited to the following:

a. permanently or temporarily cease, downsize or shut down all or any part of EncoreFX's Business or operations and commence marketing efforts in respect of any of EncoreFX's redundant or non-material assets;

b. terminate the employment of such of EncoreFX's employees or temporarily lay off such of EncoreFX's employees as it deems appropriate; and

c. continue to collect the amounts owed to EncoreFX by, inter alia, pursuing litigation claims or causes of action which have been commenced by EY in the BIA Proceedings or initiating new proceedings within the CCAA Proceedings.

all of the foregoing to permit EY to proceed with an orderly liquidation of EncoreFX's Business (the "**Liquidation**").

14. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronics Documents Act*, S.C. 2000, c. 5 and Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, and any regulations promulgated under authority of either Act, as applicable (the "**Relevant Enactment**"), EY, in the course of these proceedings, is permitted to, and hereby shall, disclose personal information of identifiable individuals in its possession or control to stakeholders, its advisors, prospective investors, financiers, buyers or strategic partners (collectively, "**Third Parties**"), but only to the extent desirable or required to negotiate and complete the Liquidation or to prepare and implement the Plan or transactions for that purpose;

provided that the Third Parties to whom such personal information is disclosed enter into confidentiality agreements with EY binding them in the same manner and to the same extent with respect to the collection, use and disclosure of that information as if they were an organization as defined under the Relevant Enactment, and limiting the use of such information to the extent desirable or required to negotiate or complete the Liquidation or to prepare and implement the Plan or transactions for that purpose, and attorning to the jurisdiction of this Court for the purposes of that agreement. Upon the completion of the use of personal information for the limited purposes set out herein, the Third Parties shall return the personal information to EY or destroy it. If the Third Parties acquire personal information as part of the Liquidation or the preparation and implementation of the Plan or transactions in furtherance thereof, such Third Parties may, subject to this paragraph and any Relevant Enactment, continue to use the personal information in a manner which is in all respects identical to the prior use thereof by EY.

STAY OF PROCEEDINGS, RIGHTS AND REMEDIES

15. Until and including April 9, 2021 or such later date as this Court may order (the "**Stay Period**"), no action, suit or proceeding in any court or tribunal (each, a "**Proceeding**") against or in respect of EncoreFX or EY, or affecting the Business or the Property, shall be commenced or continued except with the written consent of EY or with leave of this Court, and any and all Proceedings currently under way against or in respect of EncoreFX or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

16. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of EncoreFX or EY, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of EY or leave of this Court.

17. Nothing in this Order, including paragraphs 8 and 9, shall: (i) empower EY to carry on any business which EncoreFX is not lawfully entitled to carry on; (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA; (iii) prevent the filing of any registration to preserve or perfect a mortgage, charge or security

interest (subject to the provisions of Section 39 of the CCAA relating to the priority of statutory Crown securities); or (iv) prevent the registration or filing of a lien or claim for lien or the commencement of a Proceeding to protect lien or other rights that might otherwise be barred or extinguished by the effluxion of time, provided that no further step shall be taken in respect of such lien, claim for lien or Proceeding except for service of the initiating documentation on EY.

NO INTERFERENCE WITH RIGHTS

18. During the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by EncoreFX, except with the written consent of EY or leave of this Court.

CONTINUATION OF SERVICES

19. During the Stay Period, all Persons having oral or written agreements with EncoreFX or mandates under an enactment for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Business or EncoreFX, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, or terminating the supply of such goods or services as may be required by EY, and that EY shall be entitled to the continued use of EncoreFX's telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the Bankruptcy Date are paid by EY in accordance with normal payment practices of EncoreFX or such other practices as may be agreed upon by the supplier or service provider and EY, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

20. Notwithstanding any provision in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the Bankruptcy Date, nor shall any Person be under any

obligation to advance or re-advance any monies or otherwise extend any credit to EncoreFX on or after the Bankruptcy Date. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

APPOINTMENT OF MONITOR

21. EY is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of EncoreFX with the powers and obligations set out in the CCAA or set forth herein.

22. EY, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

a. prepare EncoreFX's receipts and disbursements;

b. report to this Court at such times and intervals as EY may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;

c. develop and amend the Plan;

d. hold and administer creditors' or shareholders' meetings for voting on the Plan;

e. continue to be vested with EncoreFX's Property, including the premises, books, records, data, including data in electronic form, and other financial documents of EncoreFX;

f. be at liberty to engage independent legal counsel or such other persons as EY deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;

g. to receive and collect all monies and accounts now owed or hereafter owing to EncoreFX and to exercise all remedies of EncoreFX in collecting such monies, including, without limitation, to enforce any security held by EncoreFX;

h. to settle, extend or compromise any indebtedness owing to or by the EncoreFX;

i. to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in EY's name or in the name and on behalf of the EncoreFX, for any purpose pursuant to this Order;

j. to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to EncoreFX or the Property, including any such proceedings initiated by EY in its roles as the Trustee in the BIA Proceedings and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding; and

k. perform such other duties as are required by this Order or by this Court from time to time.

23. EY shall continue to have possession of the Property for the purpose of the Liquidation. Nothing in this Order shall be construed as resulting in EY being an employer or a successor employer in its personal capacity, within the meaning of any statute, regulation or rule of law or equity, for any purpose whatsoever.

24. Nothing herein contained shall require or allow EY to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other

contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Fisheries Act*, the British Columbia *Environmental Management Act*, the British Columbia *Fish Protection Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt EY from any duty to report or make disclosure imposed by applicable Environmental Legislation. For greater certainty, EY shall not, as a result of this Order or anything done in pursuance of its duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

25. In addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, EY shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the rights and protections afforded the Monitor by the CCAA or any applicable legislation.

SERVICE AND NOTICE

26. EY shall:

(a) without delay, publish in the *Vancouver Sun*, *Times-Colonist* (Victoria), and *The Globe and Mail* (National Edition), a notice containing the information prescribed under the CCAA,

(b) within five days after the Order Date,

(i) make this Order publicly available in the manner prescribed under the CCAA,

(ii) send, in the prescribed manner, a notice to every known creditor who has a claim against EncoreFX, and

(iii) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

27. EY is at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to EncoreFX's creditors or other interested parties at their respective addresses as last shown on the records of EncoreFX and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

28. Any Person that wishes to be served with any application and other materials in these proceedings must deliver to EY by way of ordinary mail, courier, personal delivery or electronic transmission a request to be added to the Service List to be maintained by EY. EY shall post and maintain an up to date form of the Service List on its website at: www.ey.com/ca/EncoreFX.

29. Any party to these proceedings may serve any court materials in these proceedings by emailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, and EY shall post a copy of all prescribed materials on its website at: www.ey.com/ca/EncoreFX/.

30. Notwithstanding paragraphs 26-28 of this Order, service of the Petition, the Notice of Hearing of Petition, any evidence or reporting filed in support of the Petition and this Order shall be made on the Federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c. C-50, and regulations thereto, in respect of the Federal Crown, and the *Crown Proceeding Act*, R.S.B.C. 1996, c. 89, in respect of the British Columbia Crown.

GENERAL

31. EY may from time to time apply to this Court for directions in the discharge of its powers and duties hereunder.

32. Nothing in this Order shall prevent EY from acting as an interim receiver, a receiver, a receiver and manager, or continuing to act as the trustee in bankruptcy of EncoreFX, the Business or the Property.

33. This Court requests the aid and recognition of other Canadian and foreign Courts, tribunal, regulatory or administrative bodies, including any Court or administrative tribunal of any federal or State Court or administrative body in the United States of America, to act in aid of and to be complementary to this Court in carrying out the terms of this Order where required. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to EY, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to EY in any foreign proceeding, or to assist EY and its respective agents in carrying out the terms of this Order.

34. EY is 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 and is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada, including acting as a foreign representative of EncoreFX to apply to the United States Bankruptcy Court for relief pursuant to Chapter 15 of the *United States Bankruptcy Code*, 11 U.S.C. §§ 101-1330, as amended.

35. Upon any Plan being rejected by the creditors of EncoreFX or the Court refusing to sanction a Plan, any interested party may seek an order that the Stay be lifted and the BIA Proceedings be reinstated.

36. EY is hereby at liberty to apply for such further interim or interlocutory relief as it deems advisable within the time limited for Persons to file and serve Responses to the Petition.

37. Leave is hereby granted to hear any application in these proceedings on two (2) clear days' notice after delivery to all parties on the Service List of such Notice of Application and all affidavits in support, subject to the Court in its discretion further abridging or extending the time for service.

38. Any interested party (including EY) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to all parties on the Service List and to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

39. Endorsement of this Order by counsel appearing on this application, other than counsel for the Trustee and the Monitor, is hereby dispensed with.

40. This Order and all of its provisions are effective as of 12:01 a.m. local Vancouver time on the Order Date.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

W. Skelly

Signature of William E.J. Skelly / Dana M. Nowak

☐ Party ☑ Lawyer for the Petitioner, Ernst & Young in its capacity as Trustee and/or Monitor of EncoreFX Inc., and not its personal capacity

Fitzpatrick J

BY THE COURT

REGISTRAR

CHECKED

SCHEDULE "A"

List of Counsel

Name of Counsel	**Party Represented**
William E.J. Skelly; Dana M. Nowak	Counsel for the Trustee and Proposed Monitor
Lee Nicholson	Counsel for Andreas Wrede
Heather Doi	Counsel for Andreas Wrede
Peter Vaartnou	Counsel for Gustavson Capital Corporation
Brandon Barnes Trickett	Counsel for Gustavson Capital Corporation
Sandy Ma	Counsel for the Office of the Superintendent of Bankruptcy
John Grieve, QC	Counsel for Annexair Inc., Casmark Seafoods Ltd., Commerce Rosen Inc., Dynamic Windows and Doors Inc., Metalab Design Ltd., Fraser Valley Packers Inc., Shaw Almex Industries Limited, Trinity Organic Produce Inc., Kefiplant Inc., and Nu Era Logistics Inc.
Haddon Murray	Counsel for Electrolab Limited, Roll Tide Solutions Inc., The Hi Tech Gears Canada Inc., and Watt and Stewart Commodities Inc.
Lisa Hebert	Counsel for Bank of Montreal
Thomas D. Boyd	Counsel for Controlled Environmental Limited and Robert Allan Ltd.
Craig Frith	Counsel for Great Northern Growers Inc.

SCHEDULE "F"

Claims Process Order

No: S212302
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF ENCOREFX INC.

PETITIONER

ORDER MADE AFTER APPLICATION
(Claims Process Order)

BEFORE	THE HONOURABLE MADAM JUSTICE FITZPATRICK	APRIL 8, 2021

ON THE APPLICATION of Ernst & Young Inc. in its capacity as Monitor of EncoreFX Inc. ("**EncoreFX**") and not in its personal capacity, coming on for hearing via MS Teams at the Law Courts, 800 Smithe Street, in the City of Vancouver, in the Province of British Columbia on April 8, 2021 (the "**Order Date**"); **AND ON READING** the pre-filing report of Ernst and Young Inc. ("**EY**") in its role as the Monitor (the "**Monitor**") of EncoreFX dated effective March 10, 2021; **AND ON HEARING** William E.J. Skelly, counsel for the Monitor, and those other counsel listed in **Appendix "A"** hereto; **AND PURSUANT TO** the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), the British Columbia Supreme Court Civil Rules, and the inherent jurisdiction of this Honourable Court;

IT IS HEREBY ORDERED, ADJUDGED AND DECLARED THAT:

1. Words and phrases contained in this Order (the "**Claims Process Order**"), which begin with capital letters and which are not otherwise expressly defined herein, including at **Appendix**

"B" hereto, shall have the respective meanings ascribed thereto in the Conversion Order pronounced in these CCAA Proceedings on March 30, 2021 ("**Conversion Order**").

2. Except as expressly amended by the terms of this Order, the Conversion Order shall continue in full force and effect in accordance with its terms.

SERVICE

3. The time for service of the Notice of Application for this Order is hereby abridged and validated so that this Notice of Application is properly returnable today and further service is hereby dispensed.

APPROVAL OF CLAIMS PROCESS

4. The claims process set forth in this Claims Process Order for determining claims of Creditors (the "**Claims Process**") is hereby approved, and the Monitor shall be and is hereby authorized and directed to implement the Claims Process.

5. The following Appendices attached hereto to this Claims Process Order shall be and are hereby approved:

Appendix "B" – Definitions;

Appendix "C" – Form of Instruction Letter;

Appendix "D" – Proof of Claim Form;

Appendix "E" – Claim Amount Notice Form;

Appendix "F" – Convenience Creditor Form;

Appendix "G" – Notice of Revision or Disallowance;

Appendix "H" – Notice of Dispute; and

Appendix "I" – Newspaper Notice and Notice to Creditors.

6. The Monitor may, from time to time, make minor changes to the above Appendices as the Monitor considers necessary or desirable.

NOTICE OF CLAIMS PROCESS

7. Within three (3) Business Days of this Order, the Monitor shall cause a Claims Package to be sent to each Known Creditor, to Canada Revenue Agency, and to any similar revenue or taxing authority of each and every province or territory of Canada by regular prepaid mail, fax, or e-mail. The Claims Package to be delivered to each such Creditor shall provide general information and instructions in respect of the filing of Claims.

8. Within not more than three (3) Business Days of the date of this Claims Process Order, the Monitor shall cause the Newspaper Notice to be published in *Vancouver Sun*, *Times-Colonist* (Victoria), and *The Globe and Mail* (National Edition), for one (1) Business Day.

9. Within three (3) Business Days of the date of this Claims Process Order, the Monitor shall cause the Claims Package to be posted on the Website until the Claims Bar Date.

10. Subject to further order of the Court, any Notice of Revision or Disallowance must be issued by the Monitor at least five (5) days prior to the Meeting of Creditors, if any, and any adjournment thereof.

11. Within five (5) days of the date of a Notice of Repudiation or Disclaimer, the Monitor shall cause the Claims Package to be sent to each Creditor with a Subsequent Claim by regular prepaid mail, fax, or e-mail applicable to such Subsequent Claim.

12. The Monitor shall cause a copy of the Claims Package to be sent to any Person requesting such material as soon as practicable.

13. To the extent any Creditor requests documents relating to the Claims Process prior to the Claims Bar Date or if the Monitor becomes aware of any further Claims, the Monitor shall forthwith send the Creditor a Claims Package, direct the Creditor to the documents posted on the Monitor's Website or otherwise respond to the request for the Claims Package as may be appropriate in the circumstances.

14. The sending to the Creditors and the publication of the Claims Package, in accordance with this Order, and completion of the other requirements of this Order, shall constitute good and

sufficient service and delivery of notice of this Order and the Claims Bar Date on all Persons who may be entitled to receive notice and who may wish to assert a Claim, and no other notice or service need be given or made and no other document or material need be sent to or served upon any Person in respect of this Order.

FILING OF PROOFS OF CLAIM

Creditors Who Have Delivered BIA Proofs of Claim to EY in the BIA Proceedings

15. Every BIA Proof of Claim delivered by a Creditor to EY within the BIA Proceedings is hereby automatically deemed to have been received as a Proof of Claim within these CCAA Proceedings with the same force and effect as such BIA Proof of Claim enjoyed within the BIA Proceedings. A Creditor who delivered a BIA Proof of Claim to EY within the BIA Proceedings in respect of a Pre-Filing Claim is not required to resubmit its BIA Proof of Claim within these CCAA Proceedings.

16. All BIA Proofs of Claim, including without limitation, all Disputed BIA Claims, shall continue to be governed by the applicable rules and processes as prescribed in the BIA, *mutatis mutandis* or any orders of this Court, including, without limitation, all prescribed timelines, onera, rights of appeal, and rights of examination or discovery.

17. For greater certainty, nothing herein shall grant any Creditor with a Disputed BIA Claim any further or additional rights beyond those prescribed in the BIA or relieve such Creditor from any applicable onera or obligation with respect to its pursuance of a Disputed BIA Claim. All BIA Proofs of Claim and Disputed BIA Claims which have been disallowed or disputed by the Trustee on a final basis, pursuant to the rules and processes prescribed in the BIA, in the BIA Proceedings shall be considered disallowed or disputed, *mutatis mutandis*, on a final basis in the CCAA Proceedings.

18. If a Creditor submitted a BIA Proof of Claim that was disallowed by the Trustee, and such Creditor did not dispute the Notice of Disallowance within the required timeframe, that Creditor is not permitted to submit a Proof of Claim for the same Claim in the CCAA Proceedings.

Creditors Who Have Not Delivered BIA Proofs of Claim to EY in the BIA Proceedings

19. Every Creditor asserting a Claim that has not already submitted a BIA Proof of Claim against EncoreFX shall set out its aggregate Claim in a written Proof of Claim and deliver that Proof of Claim so that it is received by the Monitor on or before the Claims Bar Date.

20. Every Creditor disputing the Claim Amount Notice shall set out its aggregate Claim in a written Proof of Claim and deliver that Proof of Claim so that it is received by the Monitor on or before the Claims Bar Date.

21. Every Creditor asserting a Subsequent Claim against EncoreFX shall set out its aggregate Subsequent Claim in a Proof of Claim and deliver that Proof of Claim so that it is received by the Monitor on or before the Subsequent Claims Bar Date.

22. A Proof of Claim shall be deemed to have been filed in a timely manner only if delivered by registered mail, personal delivery, courier, e-mail (in PDF format) or facsimile transmission so as to actually have been received by the Monitor on or before the Claims Bar Date applicable to such Proof of Claim.

Directors and Officers - Treatment of D&O Claims and D&O Indemnity Claims

23. Any D&O Claim shall be treated in the same manner as a Claim within the Claims Process and, for further clarity, shall be subject to the Claims Bar Date.

24. Nothing in this Order shall prejudice the rights and remedies of any D&Os or other person under any existing insurance policy or prevent or bar any person from seeking recourse against or payment from EncoreFX's insurance or any director and officer liability insurance policy or policies that exist to protect or indemnify the D&Os or other persons, whether such recourse or payment is sought directly by the person asserting the claim from the insurer or derivatively through the D&Os provided, however, that noting in this Order shall create any rights in favour of such person under any policies of insurance nor shall anything in this Order limit, remove, modify or alter any defence to such claim available to the insurer pursuant to the provisions of any insurance policy or at law.

25. Any D&O wishing to assert a D&O Indemnity Claim shall deliver a Proof of Claim asserting the D&O Indemnity Claim in accordance with paragraph 52 hereof so that it is received by the Monitor no later than (15) Business Days after the deemed receipt of the Proof of Claim of any Creditor asserting a D&O Claim (the "**D&O Indemnity Claims Bar Date**").

26. In respect of any D&O Indemnity Claim, any D&O who does not file a Proof of Claim asserting a D&O Indemnity Claim as provided for herein such that the Proof of Claim is received before the D&O Indemnity Claims Bar Date shall:

a. be forever barred, estopped and enjoined from asserting or enforcing any such D&O Indemnity Claim (or filing a Proof of Claim with respect to such D&O Indemnity Claim) against EncoreFX and such D&O Indemnity Claim shall be forever extinguished;

b. not be permitted to vote on any Plan on in respect of any such D&O Indemnity Claim;

c. not be permitted to participate in any distribution under any Plan; and

d. not be entitled to receive further notice in these CCAA Proceedings.

FORM OF PROOFS OF CLAIM

27. Any Claim or Subsequent Claim set out in a Proof of Claim shall be expressed in Canadian dollars, failing which such Claim or Subsequent Claim shall be converted to and shall constitute obligations in Canadian dollars in accordance with the foreign exchange conversion terms described in the Plan.

DETERMINATION OF CLAIMS AND SUBSEQUENT CLAIMS

Review of Proofs of Claim

28. The Monitor shall review each Proof of Claim received by the Claims Bar Date or Subsequent Claims Bar Date (as the case may be) and, subject to paragraph 33 of this Claims Process, shall accept, revise, or disallow such Claim or Subsequent Claim.

29. Subject to any deficiencies in the Convenience Creditor Form, as determined by the Monitor in its sole discretion, every Convenience Creditor Form received before the Claims Bar

Date and accepted by the Monitor shall be deemed to be a Proven Claim and that Convenience Creditor shall be deemed to have voted in favour of the Plan in accordance with paragraph 5.2(c) of the Plan and any amendments thereto.

30. If the Monitor accepts the Claim or Subsequent Claim, then such Claim or Subsequent Claim shall be a Proven Claim.

31. If the Monitor does not receive a Proof of Claim from a Creditor to whom the Monitor sent a Claim Amount Notice, then the amount in the Claim Amount Notice shall be deemed to be a Proven Claim.

32. Notwithstanding any provision of this Claims Process Order, the Monitor may, by notice in writing, require any Creditor with a Claim included in the List of Claims and the Notice to Creditor to deliver a Proof of Claim and all of the provisions and deadlines of this Order relating to Proofs of Claim shall apply.

Notices of Revision or Disallowance

33. The Monitor may revise the amount of a Claim or Subsequent Claim to correct any error, defect, or omission in the Proof of Claim or List of Claims. If the Monitor revises the amount of a Claim, then it shall send a Notice of Revision to the affected Creditor at least five (5) days before the Meeting of Creditors.

34. If the Monitor determines to disallow a Proof of Claim, then the Monitor shall send a Notice of Disallowance to the Creditor who has filed such Pre-Filing Claim or Subsequent Claim at least five (5) days before the Meeting of the Creditors.

Notice of Dispute

35. Any Creditor that disputes the classification or amount of its Claim or Subsequent Claim as set forth in a Notice of Revision or Disallowance shall deliver a Notice of Dispute to the Monitor by 4:00 p.m. (Pacific Daylight Time) on the day which is five (5) days after the date of such Notice of Revision or Disallowance.

36. Any Creditor who fails to deliver a Notice of Dispute by the deadline set forth in paragraph 35 of this Claims Process shall be deemed to have accepted the classification and the amount of its Pre-Filing Claim or Subsequent Claim as set out in the Notice of Revision or Disallowance, and such Pre-Filing Claim or Subsequent Claim as set out in the Notice of Revision or Disallowance shall constitute a Proven Claim.

Resolution of Claims and Subsequent Claims

37. Upon receipt of a Notice of Dispute, the Monitor may: (a) attempt to consensually resolve the classification and amount of the Claim or Subsequent Claim identified in such Notice of Dispute with the Creditor who has filed the same, or (b) bring an application before the Court in these proceedings to determine the classification and/or amount of the Claim or Subsequent Claim in accordance with paragraph 35 of this Order.

38. If the Monitor and the Creditor consensually resolve the classification and amount of the Claim or Subsequent Claim, the Monitor may accept a revised Claim or Subsequent Claim, and such Claim or Subsequent Claim will constitute a Proven Claim. In such event, the Monitor will cause to be served upon the Creditor who has submitted such Claim or Subsequent Claim an Admission Notice in respect to such Claim or Subsequent Claim.

39. The Monitor or a Creditor with a disputed Claim may bring an application before the Court in these proceedings to determine the classification and/or amount of a Claim or Subsequent Claim by serving on the party who has asserted such Claim or Subsequent Claim, and by filing with the Court, a Notice of Application to that effect (the "**Claim Application**"). If a Claim Application is not filed within five (5) days of delivering the Notice of Dispute under paragraph 31 of this Order, or such other date as may be agreed by the Monitor, then the Claim set out in the Notice of Revision or Disallowance (as applicable) shall be the Creditor's Proven Claim.

40. The Monitor may allow a Creditor's disputed Claim for the purpose of voting on the Plan, provided however that such an allowance shall not preclude the Monitor from disputing that Creditor's disputed Claim for classification and distribution purposes under the Plan.

41. Notwithstanding the terms of this Order and for the purposes of participating in the Plan, Andreas Wrede shall be entitled to a Property Claim which shall be a Proven Claim and in the amount of CAD $28,966,892.58 for the purposes of voting and distribution without any further formality or filing.

DEEMED ACCEPTANCE OF CLAIMS

42. All Creditors who submitted a BIA Proof of Claim that was proven in the BIA Proceedings shall be deemed to have a Proven Claim in the amount of the proven BIA Proof of Claim for voting and distribution purposes under the Plan, without any further act of any such Creditor.

43. If a Creditor does not file a Proof of Claim in respect of a Claim included in the List of Claims and the Claim Amount Notice, or does not notify the Monitor in writing to correct the amount stipulated in the Claim Amount Notice, the amount of that Creditor's Claim in the Claim Amount Notice shall be deemed to be such Creditor's Proven Claim for voting and distribution purposes under any Plan, without any further act of any such Creditor.

CLAIMS BAR

44. If a Creditor receiving a Claims Package wishes to object to the amount listed in the Claim Amount Notice, the Creditor must, on or before the Claims Bar Date, deliver a Proof of Claim to the Monitor.

45. Any Creditor who has not already submitted a BIA Proof of Claim, or was not provided a Claim Amount Notice, and fails, on or before the Claims Bar Date, to file a Proof of Claim in respect of a Claim in accordance with this Claims Process Order and the Claims Process, shall:

a. be forever barred, estopped and enjoined from asserting or enforcing any such Claim (or filing a Proof of Claim with respect to such Claim) against EncoreFX and such Claim shall be forever extinguished;

b. not be permitted to vote on any Plan on in respect of any such Claim;

c. not be permitted to participate in any distribution under any Plan; and

d. not be entitled to receive further notice in these CCAA Proceedings.

46. Any Creditor who fails, on or before the Subsequent Claims Bar Date, to file a Proof of Claim in respect of a Subsequent Claim in accordance with this Order and shall:

a. be forever barred, estopped and enjoined from asserting or enforcing any such Subsequent Claim (or filing a Proof of Claim with respect to such Subsequent Claim) against EncoreFX and such Subsequent Claim shall be forever extinguished;

b. not be permitted to vote on any Plan in respect of any such Subsequent Claim;

c. not be permitted to participate in any distribution under any Plan; and

d. not be entitled to receive further notice in these proceedings.

47. Any Person who is not listed on the List of Claims, receives a Claim Amount Notice where the amount indicated is "Unknown", or is required pursuant to the terms of this Order to deliver a Proof of Claim and who does not deliver a Proof of Claim on or before the Claims Bar Date or such later date as the Monitor may agree in writing or the Court may otherwise direct, shall:

a. be forever barred, estopped and enjoined from asserting or enforcing any Claim (or filing a Proof of Claim with respect to such Claim) against EncoreFX and such Claim shall be forever extinguished;

b. not be permitted to vote on any Plan in respect of any such Claim;

c. not be permitted to participate in any distribution under any Plan; and

d. not be entitled to receive further notice in these CCAA Proceedings.

NOTICE OF TRANSFEREES

48. Leave is hereby granted from the date of this Order until seven (7) days prior to the date affixed by the Court for a Meeting of Creditors to permit a Claimant to provide written notice of assignment or transfer of a Claim to the Monitor.

49. Subject to the terms of any subsequent Order of this Court, if the holder of a Claim transfers or assigns the whole of such Claim to another Person, the Monitor shall not be obligated to give notice or otherwise deal with the transferee or assignee of such Claim in respect thereof unless and until actual notice of transfer or assignment, together with satisfactory evidence of such transfer or assignment, shall have been received and acknowledged by the Monitor in writing and thereafter

such transferee or assignee shall for the purposes hereof constitute the "Claimant" in respect of such Claim. Any such transferee or assignee of a Claim shall be bound by any notices given or steps taken in respect of such Claim in accordance with this Order prior to receipt and acknowledgement by the Monitor of satisfactory evidence of such transfer or assignment. A transferee or assignee of a Claim takes the Claim subject to any rights of set-off to which EncoreFX may be entitled with respect to such Claim. For greater certainty, a transferee or assignee of a Claim is not entitled to set-off, apply, merge, consolidate or combine any Claims assigned or transferred to it against or on account or in reduction of any amounts owing by such Person to EncoreFX. No transfer or assignment shall be effective for voting purposes unless sufficient notice and evidence of such transfer has been received by the Monitor no later than 4:00 p.m. (Pacific Daylight Time) on the date that is seven (7) days prior to the date affixed by the Court for the Meeting of Creditors, failing which the original transferor shall have all applicable rights as the "Creditor" with respect to such Claim as if no transfer of the Claim had occurred. Reference to transfer in this Order includes a transfer or assignment whether absolute or intended as security.

NOTICES AND COMMUNICATION

50. Except as otherwise provided herein, the Monitor may deliver any notice or other communication to be given under this Claims Process Order to Creditors or other interested Persons by forwarding true copies thereof by ordinary mail, courier, personal delivery, facsimile or e-mail to such Creditors or Persons at the address for such Creditors or Persons most recently indicated on the books and records of EncoreFX, and any such service or notice by courier, personal delivery, facsimile or e-mail shall be deemed to have been received on the next Business Day following the date of forwarding thereof, or if sent by ordinary mail on the third Business Day after mailing within British Columbia, the fifth Business Day after mailing within Canada, and the tenth Business Day after mailing internationally.

51. Any notice or other communication to be given under this Order by a Creditor to the Monitor shall be in writing in substantially the form, if any, provided for in this Claims Process Order and will be sufficiently given only if delivered by registered mail, courier, e-mail (in PDF format), personal delivery or facsimile transmission addressed to:

Ernst & Young Inc.

700 West Georgia Street
Vancouver, BC V7Y 1C7
Email: jason.eckford@parthenon.ey.com
Facsimile: 604.899.3530
Attention: Jason Eckford

52. In the event that the day on which any notice or communication required to be delivered pursuant to the Claims Process or this Claims Process Order is not a Business Day, then such notice or communication shall be required to be delivered on the next Business Day immediately following such day.

53. In the event of any strike, lock-out or other event which has the effect of interrupting postal service in Canada generally, all notices and communications during such interruption may only be delivered by personal delivery or courier and any notice or other communication given or made by prepaid mail within the five (5) Business Day period immediately preceding the commencement of such interruption, unless actually received, shall be deemed not to have been delivered.

AID AND ASSISTANCE OF OTHER COURTS

54. This Court hereby requests the aid and recognition (including assistance pursuant to section 17 of the CCAA, as applicable) of any Court or any judicial, regulatory or administrative body in any province or territory of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province or any court or any judicial, regulatory or administrative body of the United States and of any other nation or state to act in aid of and to be complementary to this Court in carrying out the terms of this Order.

GENERAL

55. The Claims Bar Date, and the amount and status of every Proven Claim as determined under the Claims Process, including any determination as to the nature, amount, value, priority or validity of any Claim shall be final for all purposes including in respect of any Plan and voting thereon (unless otherwise provided for in any subsequent Order of the Court), and, including for any distribution made to Creditors, whether in these CCAA Proceedings or in any of the

proceedings authorized by this Court or permitted by statute, including a receivership proceeding or a bankruptcy affecting EncoreFX.

56. The Monitor (a) in carrying out its obligations under this Claims Process Order, shall have all of the protections provided to it by the CCAA and the Conversion Order or as an officer of this Court, including the stay of proceedings in its favour; (b) shall incur no liability or obligation as a result of the carrying out of its obligations under this Claims Process Order; (c) shall be entitled to rely on the books and records of EncoreFX, all without independent investigation; and (d) shall not be liable for any claims or damages resulting from any errors or omissions in such books, records or information.

57. Notwithstanding the terms of this Claims Process Order, the Monitor may apply to this Court from time to time for directions from this Court with respect to this Claims Process Order or for such further Order or Orders as either of them may consider necessary or desirable to amend, supplement or replace this Claims Process Order, including the Appendices to this Claims Process Order.

58. Notwithstanding anything to the contrary herein, the Monitor may at any time:

a. refer a Claim for resolution to the Court for any purpose where in the Monitor's discretion such a referral is preferable or necessary for the resolution or the valuation of the Claim;

b. in writing, accept the amount of a Claim for voting purposes without prejudice to the right of the Monitor to later contest the validity or amount of the Claim; and

c. in writing, settle and resolve any disputed Claims.

59. The Monitor shall be and is hereby authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which Proofs of Claim and Notices of Dispute are completed and executed, and may, if satisfied that a Claim or Subsequent Claim has been adequately proven, including Claims which were proven by Creditors in the BIA Proceedings, waive strict compliance with the requirements of the Claims Process and this Claims Process Order as to the completion and execution of Proofs of Claim and Notices of Dispute.

60. The Monitor, in addition to its prescribed rights and obligations under the CCAA and under the Conversion Order, shall be and is hereby authorized and directed to take such other actions and fulfill such other roles as are contemplated by the Claims Process and this Claims Process Order.

61. All references as to time herein shall mean local time in Vancouver, British Columbia, Canada, and any reference to an event occurring on a Business Day shall mean prior to 4:00 p.m. (Pacific Daylight Time) on such Business Day unless otherwise indicated herein.

62. Any Claim denominated in a foreign currency shall be converted to Canadian dollars in accordance with the foreign currency exchange rate terms defined in paragraph 1.6 of the Plan.

63. Notwithstanding any other provisions of this Claims Process Order, the solicitation by the Monitor of Proofs of Claim, and the filing by any Claimant of any Proof of Claim shall not, for that reason only, grant any person any standing in these proceedings or rights under any proposed plan of arrangement.

64. Nothing in this Claims Process Order shall constitute or be deemed to constitute an allocation or assignment of Claims or Excluded Claims by the Petitioners into particular affected or unaffected classes for the purpose of a plan of compromise or arrangement.

65. In the event that no plan of compromise or arrangement is approved by this Court, then this Claims Process Order shall be of no effect in this or any other proceeding or distribution with respect to any and all Claims made by Claimants.

66. References in this Claims Process Order to the singular shall include the plural, references to the plural shall include the singular and references to any gender shall include the other gender.

67. Notwithstanding the terms of this Claims Process Order, the Monitor may apply to this Court from time to time for such further order or orders as they shall consider necessary or desirable to amend, supplement or replace the Claims Process or this Order.

68. The Endorsement of this Claim Process Order by counsel appearing on this application, other than the Monitor, is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER:

Signature of William E.J. Skelly
Lawyer for the Monitor

By the Court:

Registrar

APPENDIX "A"
(to the Claims Process Order)

List of Counsel

Name of Counsel	**Party Represented**
William E.J. Skelly	Counsel for the Monitor

APPENDIX "B"
(to the Claims Process Order)

Definitions

DEFINITIONS

1. For purposes of the Clams Process Order and this Claims Process, the following words and phrases shall have the following respective meanings:

"**Admission Notice**" means a notice sent by the Monitor to a Creditor acknowledging the classification and/or amount of a Creditor's Claim or Subsequent Claim;

"**Bar Dates**" means the Claims Bar Date and the Subsequent Claims Bar Date;

"**BIA Proceedings**" means EncoreFX's bankruptcy proceedings bearing Court File No. VLC-S-B-200204 and bankruptcy Estate No.11-2634864;

"**Business Day**" means a day, other than a Saturday, Sunday or a statutory holiday, on which banks are generally open for business in the Province of British Columbia;

"**BIA Proof of Claim**" means a Proof of Claim submitted in the BIA Proceedings, and includes any Proofs of Claim submitted in the BIA Proceedings asserting a D&O Claim;

"**CCAA**" means the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;

"**CCAA Proceedings**" means EncoreFX's proceedings bearing Court Filing No. S212302;

"**Claim**" means any Pre-Filing Claim;

"**Claim Amount Notice**" means the notice sent by the Monitor in the Claims Package stipulating the amount of the Claim as determined by the Monitor, in substantially the form attached to the Claims Process Order as **Appendix "E"**;

"**Claims Bar Date**" means 4:00 p.m. (Pacific Daylight Time) on May 5, 2021, or such other date as may be ordered by the Court or on consent of the Monitor;

"**Claims Package**" means the document package which shall include a copy of the Instruction Letter, a Claim Amount Notice (if applicable), a Proof of Claim, a Convenience Creditor Form, and such other materials as the Monitor considers necessary or appropriate;

"**Claims Process**" has the meaning set out at paragraph 4 of this Claims Process Order;

"**Claims Process Order**" has the meaning set out in paragraph 1 of this Claims Process Order;

"**Claimants**" means: (i) any Creditor of EncoreFX who provided a BIA Proof of Claim to the Trustee; and (ii) any Creditor who provides a Proof of Claim to the Monitor in accordance with the terms of the Claims Process Order, and "**Claimant**" means any one of them;

"**Convenience Creditors**" has the same meaning as paragraph 5.2(c) in the proposed Plan and means those General Unsecured Creditors (as defined in the proposed Plan) who elect to receive a distribution equal to (i) 100% of their respective General Unsecured Claims (as defined in the proposed Plan) up to the sum of $5,000, or (ii) $5,000 in respect of their General Unsecured Claims who are owed between $5,000 and $31,250.00, both in full and final settlement of their Claims, and "**Convenience Creditor**" means any one of them;

"**Convenience Creditor Form**" means the form sent in the Claims Package in substantially the form attached to the Claims Process Order as **Appendix "F"**;

"**Conversion Order**" has the meaning set out at paragraph 1 of this Claims Process Order;

"**Creditors**" means any Persons with Claims as against EncoreFX, except for Creditors with Excluded Claims, and "**Creditor**" means any one of them;

"**Court**" means the Supreme Court of British Columbia;

"**D&O**" means collectively and individually, all current and former directors and officers of EncoreFX and, for greater clarity, specifically includes Peter Gustavson;

"**D&O Claim**" means any Claim that has been, could have been, or may be asserted or made in whole or in part against one or more D&O;

"**D&O Indemnity Claim**" means any existing or future right of any D&O as against EncoreFX, which arose or arises as a result of any person filing a Proof of Claim asserting a D&O Claim in respect of such D&O for which such D&O is entitled to be indemnified by EncoreFX;

"**D&O Indemnity Claims Bar Date**" has the meaning set out at paragraph 25 of this Claims Process Order;

"**Disputed BIA Claims**" means a BIA Proof of Claim that was disallowed by the Trustee and disputed by the Creditor with a Notice of Dispute within the required timeframe and "**Disputed BIA Claims**" means some or all of them;

"**Excluded Claims**" has the meaning given to such term in Article 4.2 of the proposed Plan as appended to the Conversion Order, and "**Excluded Claim**" means any one of them;

"**EY**" means Ernst & Young Inc.;

"**Filing Date**" means March 30, 2020, being the date EncoreFX assigned itself into bankruptcy;

"**Instruction Letter**" means the letter regarding completion of a Proof of Claim, which letter shall be substantially in the form attached to the Claims Process Order as **Appendix "C"**;

"**Known Creditors**" means Creditors which the books and records of EncoreFX disclose were owed money by EncoreFX as of the Filing Date, which obligation remains unpaid (in whole or in part);

"**List of Claims**" means a list prepared by the Monitor identifying all Claims known to the Monitor, which shall be updated as required from time to time by the Monitor;

"**Monitor**" means Ernst & Young Inc.;

"**Newspaper Notice**" means the notice of the Claims Process to be published in newspapers in accordance with the Claims Process in substantially the form attached to the Claims Process Order as **Appendix "I"**;

"**Notice of Dispute**" means: (i) a Notice of Dispute filed in the BIA Proceedings and continued in the CCAA Proceedings; and (ii) the notice that may be delivered by a Creditor who has received a Notice of Revision or Disallowance disputing such Notice of Revision or Disallowance, which notice shall be substantially in the form attached to the Claims Process Order as **Appendix "H"**;

"**Notice of Repudiation or Disclaimer**" means a written notice in any form issued on or after the Filing Date, and includes those issued in the BIA Proceedings, by the Monitor or Trustee advising a Person of the disclaimer or repudiation of any contract, lease, employment agreement, or other arrangement or agreements of any nature whatsoever, whether oral or written, and any amending agreement(s) related thereto. For the purposes of the Claims Process Order only, an agreement on or after the Filing Date restructuring or amending a contract, lease, employment agreement, or other arrangement or agreement of any nature whatsoever, which by its terms expressly provides for a reservation of a Subsequent Claim in these proceedings, shall be deemed to be a Notice of Repudiation or Disclaimer;

"**Notice of Revision or Disallowance**" means: (i) the notice that may have been delivered to a Creditor in the BIA Proceedings; or (ii) the notice that may be delivered to a Creditor revising or rejecting such Creditor's Pre-Filing Claim or Subsequent Claim as set out in its Proof of Claim in whole or in part, which notice shall be substantially in the form attached to the Claims Process Order as **Appendix "G"**;

"**Notice to Creditor**" means a notice provided by the Monitor to a Creditor substantially in the form set out at **Appendix "I"** hereto;

"**Order Date**" has the meaning set out in the Preamble of this Claims Process Order;

"**Plan**" means the plan of arrangement and compromise to be filed in the CCAA Proceedings;

"**Pre-Filing Claim**" means any Claim, other than an Excluded Claim and a Subsequent Claim, that arose prior to the Filing Date, and includes any right or claim of any Person that may be asserted or made in whole or in part against EncoreFX or its D&Os, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest thereon or costs payable in respect thereof, in existence on, or which is based on, an event, fact, act or omission which occurred in whole or in part prior to the Filing Date, at law or in equity, by reason of the commission of a tort (intentional or unintentional), any breach of contract or other agreement (oral or written), any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty), any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise) or for any reason whatsoever against EncoreFX or any of its property or assets, and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature including any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action whether existing at present or commenced in the future, together with any other rights or claims not referred to above that are or would be claims provable in bankruptcy and, for greater certainty, includes any D&O Claim, any D&O Indemnity Claim, and any tax claim;

"**Proof of Claim**" means: (a) any BIA Proof of Claim; and (b) the form to be completed and filed by a Creditor setting forth its Pre-Filing Claim or its Subsequent Claim (as the case may be), which proof of claim shall be substantially in the form attached to the Claims Process Order as **Appendix "D"**;

"**Proven Claim**" means the amount, status and/or validity of the Claim of a Creditor as finally determined in accordance with this Claims Process. A Proven Claim will be "finally determined" in accordance with this Claims Process when:

a. a Proof of Claim is accepted by the Monitor by any of the following:

   i. such Proof of Claim was previously accepted in the BIA Proceeding; or

   ii. such Proof of Claim is accepted in the CCAA Proceeding;

b. if applicable, the Convenience Creditor submits a Convenience Creditor Form before the Claims Bar Date;

c. the applicable time period for filing a Notice of Dispute in response to a Notice of Revision or Disallowance issued by the Monitor has expired and no Notice of Dispute has been filed in accordance with this Order; or

d. any court of competent jurisdiction has made a determination with respect to the amount, status and/or validity of the Claim and no appeal or motion for leave to appeal therefrom shall have been taken or served on either party, or if any appeal(s) or motion(s) for leave to appeal or further appeal shall have been taken therefrom or served on either party, any (and all) such appeal(s) or motion(s) shall have been dismissed, finally determined or withdrawn; and

e. alternatively, a Claim shall be deemed a Proven Claim if the Monitor issues a Claim Amount Notice to a Creditor and that Creditor does not dispute the Claim Amount Notice by filing a Proof of Claim before the Claims Bar Date;

"**Subsequent Claim**" means any Claim arising after the Filing Date as a result of the disclaimer or repudiation, after the Filing Date, of any contract, lease, employment agreement, or other arrangement or agreements of any nature whatsoever, whether oral or written, and any amending agreement related thereto;

"**Subsequent Claims Bar Date**" means the later of (a) the Claims Bar Date and (b) 5:00 p.m. (Pacific Daylight Time) on the day which is ten (10) days after the date of the Notice of Repudiation or Disclaimer;

"**Website**" shall mean the Monitor's website located at www.ey.com/ca/EncoreFX.

APPENDIX "C"
(to the Claims Process Order)

Instruction Letter for the Claims Process of
EncoreFX Inc. ("EncoreFX")

A. Claims Procedure

By Order of the Honourable Madam Justice Fitzpatrick dated April 8, 2021 (the "**Claims Process Order**") attached hereto, under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "**CCAA**"), EncoreFX has been authorized to conduct a claims process (the "**Claims Process**").

EncoreFX's current proceedings under the CCAA are called the "**CCAA Proceedings**". EncoreFX's earlier proceedings under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 ("**BIA**") are called the "**BIA Proceedings**". All Proofs of Claim submitted by Creditors in the BIA Proceedings are called "**BIA Proofs of Claim**", and any one of them means a "**BIA Proof of Claim**".

This letter provides instructions for responding to the Claim Amount Notice, responding to the Convenience Creditor Form, and completing the Proof of Claim, enclosed, in the CCAA Proceedings. Terms in capital letters which are not defined in this instruction letter have the meaning ascribed in the Claims Process Order.

The Claims Process is intended for any Person with a Claim of any kind or nature whatsoever, other than an Excluded Claim, against EncoreFX or any of its directors or officers arising on or prior to March 30, 2020, whether unliquidated, contingent or otherwise. Please review the Claims Process Order for the complete definitions of Claim and Excluded Claim.

If you are a Creditor who filed a Proof of Claim in the BIA Proceedings, please review section E of this letter, as well as paragraphs 15-18 of the Claims Process Order which govern the treatment of your BIA Proof of Claim in the CCAA Proceedings. In summary, the Proof of Claim that you filed in the BIA Proceedings is deemed to have been delivered to the Monitor within the CCAA Proceedings. This means that you do not need to file a new Proof of Claim in the CCAA Proceeding unless you decide that your BIA Proof of Claim needs to be revised.

If you have any questions regarding the Claims Process please contact the Court-appointed Monitor at the address provided below.

All notices and enquiries with respect to the Claims Process should be addressed to:

The Court-Appointed Monitor of EncoreFX Inc.,
Ernst & Young Inc.
700 West Georgia Street
Vancouver, BC V7Y 1C7
Email: jason.eckford@parthenon.ey.com

Facsimile: 604.899.3530
Attention: Jason Eckford

B. General Instructions for Completing the Proof of Claim Form

The Proof of Claim must be completed by an individual, or an individual acting on behalf of a corporation. The individual acting for a corporation or other person must state the capacity in which he or she is acting, such as "Credit Manager", "Treasurer", "Authorized Agent" and so forth. The individual completing the Proof of Claim or Convenience Creditor Form must have knowledge of the circumstances connected with the Claim. All Proofs of Claim must be signed, dated and witnessed. The full legal name of the Creditor must be filed out in its entirety. Creditors who file a Proof of Claim by a division, or file several Proofs of Claim by divisions, may have their Proof(s) of Claim disallowed. Only one Proof of Claim per legal entity may be filed notwithstanding that separate divisions or operating units of a Creditor may supply and bill EncoreFX separately.

A Statement of Account containing full details of the Claim must be attached to the Proof of Claim. The Proof of Claim should include all amounts owing to you for any goods or services provided to EncoreFX before March 30, 2020. If the Creditor describes the Statement of Account in an Affidavit, the Affidavit must comply with the British Columbia *Supreme Court Civil Rules*, BC Reg 168/2009.

If the Creditor holds security for the indebtedness, a statement of the value and nature of the security must accompany the Proof of Claim.

If the Creditor holds a contingent or unliquidated Claim, the details of any guarantee giving rise to such contingent or unliquidated Claim, or reasons for the Claim must be provided in addition to the basis upon which the Claim has been valued.

If the Claim has been sold or assigned, the name of the party purchasing the Claim and the amount of the Claim sold or assigned as well as supporting documentation must be attached to the Proof of Claim submitted. The Proof of Claim can be completed by either the original Creditor or by an assignee, but not both. Creditors and assignee(s) must determine amongst themselves who will file the Proof of Claim.

C. For Creditors Receiving Claim Amount Notice

Where the Monitor has determined a Creditor's Claim based on the books and records of EncoreFX, it will issue a Claim Amount Notice to that Creditor stating the amount of the Creditor's Claims.

If you have received a Claim Amount Notice, there are two (2) options available to you:

a. if you disagree with the amount of your Claim as set out in the Claim Amount Notice, submit a Proof of Claim in accordance with section F below; or

b. if you agree with the amount of your Claim as set out in the Claim Amount Notice, take no steps.

If the Monitor has issued you a Claim Amount Notice and receives a Proof of Claim from you before the Claims Bar Date, it will consider the Proof of Claim in accordance with the Claims Process Order.

If the Monitor has issued you a Claim Amount Notice and does not receive a Proof of Claim before the Claims Bar Date, you will be deemed to have a Proven Claim in the amount of Claim Amount Notice for the purpose of voting and distribution.

D. For Creditors Receiving Convenience Creditor Form

Where the Monitor has calculated a Creditor's Claim as below CAD $31,250.00, it will issue that Creditor a Convenience Creditor Form.

If you have received a Convenience Creditor Form, there are two (2) options available to you:

a. if you disagree with the amount of your Claim as set out in the Convenience Creditor Form, submit a Proof of Claim in accordance with section F below; or

b. if you agree with the amount of your Claim as set out in the Convenience Creditor Form, fill out the form and return it to the Monitor so the Monitor receives it before the Claims Bar Date.

If the Monitor has issued you a Convenience Creditor Form and receives a Proof of Claim from you before the Claims Bar Date, it will consider the Proof of Claim in accordance with the Claims Process Order.

If the Monitor has issued you a Convenience Creditor Form and receives a completed Creditor Convenience Form from you before the Claims Bar Date, you will be deemed to have a Proven Claim in the amount of Convenience Creditor Form for the purpose of voting and distribution.

For clarity, Convenience Creditor will be treated as follows in the Plan:

a. a Convenience Creditor with a Proven Claim totaling CAD $5,000 or less is entitled to receive a distribution totaling 100% of the amount set out in its Proven Claim;

b. a Convenience Creditor with a Proven Claim totaling between CAD $5,000 and CAD $31,250 is entitled to accept CAD $5,000 in full and final satisfaction of its Proven Claim, which will result in that Convenience Creditor receiving a distribution totaling no less than 16% of the amount in its Proven Claim; and

c. in all cases, Convenience Creditors who have elected to be paid in accordance with sub-paragraphs a. or b. above, shall be deemed to have voted in favour of the Plan.

If the Monitor has issued you a Convenience Creditor Form and does not receive either a Proof of Claim or a completed Convenience Creditor Form before the Claims Bar Date from you, you will be forever barred, estopped and enjoined from asserting or enforcing any such Claim (or filing a Proof of Claim with respect to such Claim) against EncoreFX and such Claim shall be forever extinguished.

E. For Creditors who Submitted Proofs of Claim in the BIA Proceedings

All BIA Proofs of Claim submitted in the BIA Proceedings, including, without limitation, all disallowed BIA Proofs of Claim that have been disputed within the required timeline ("**Disputed BIA Claims**"), shall continue to be governed by the applicable rules and processes as prescribed in the BIA, *mutatis mutandis*, including, without limitation, all prescribed timelines, onera, rights of appeal, and rights of examination or discovery.

For greater certainty, nothing herein shall grant any Creditor with a Disputed BIA Claim any further or additional right beyond those prescribed in the BIA or relieve such Creditor from any applicable onera or obligation with respect to its pursuance of a Disputed BIA Claim and all BIA Proofs of Claim.

All Disputed BIA Claims which have been disallowed or disputed by EY, in its capacity as the Trustee in Bankruptcy (he "**Trustee**"), on a final basis, pursuant to the rules and processes prescribed in the BIA, in the BIA Proceedings shall be considered disallowed or disputed, *mutatis mutandis*, on a final basis in the CCAA Proceedings.

If you submitted a BIA Proof of Claim and the Trustee accepted your BIA Proof of Claim, you are deemed to have a Proven Claim in the CCAA Proceedings in the amount of your BIA Proof of Claim.

If you currently hold a Disputed BIA Claim, your Claim will be resolved in accordance with the rules and processes of the BIA or by Order of the Court.

F. For Creditors Submitting a Proof of Claim

If you believe that you have a Claim against EncoreFX, or the amount in the Claim Amount Notice is incorrect, or the amount in the Creditor Convenience Form is incorrect, you must file a Proof of Claim with the Monitor. ***THE PROOF OF CLAIM MUST BE RECEIVED BY 4:00 P.M. (PACIFIC DAYLIGHT TIME) ON MAY 5, 2021***, unless the Court orders otherwise.

If you are a Creditor who is not asserting a property interest in EncoreFX's assets, then you must complete Form D-1 "Proof of Claim" set out at **Appendix D** of the Claims Process Order. If you are a Creditor asserting a property interest in EncoreFX's assets, then you must complete Form D-2 "Property Proof of Claim" set out at **Appendix D** of the Claims Process Order.

Additional Proof of Claim forms and Convenience Creditor Forms can be obtained by contacting the Monitor using the contact information listed above and providing particulars as to your name, address, e-mail and facsimile number. Once the Monitor has this information, you will receive, as soon as practicable, additional Proof of Claim forms or Convenience Creditor Forms.

G. Claims Order

While this instruction letter, along with its accompanying Proof of Claim forms, is provided to you to assist in the Claims Process, you must comply with the terms of the Claims Process Order pronounced April 8, 2021.

UNLESS YOU HAVE FILED A BIA PROOF OF CLAIM OR YOU HAVE RECEIVED A CLAIM AMOUNT NOTICE THAT YOU DO NOT DISPUTE, IF A PROOF OF CLAIM IN RESPECT OF YOUR CLAIM IS NOT RECEIVED BY THE MONITOR BEFORE THE CLAIMS BAR DATE, AS APPLICABLE:

1. ***YOUR CLAIM WILL BE FOREVER BARRED AND YOU WIL BE PROHIBTTED FROM MAKING OR ENFORCING A CLAIM AGAINST ENCOREFX AND/OR ANY OF THEIR DIRECTORS AND OFFICERS;***

2. ***YOU SHALL NOT BE PERMITTED TO VOTE ON ANY PLAN OF ARRANGEMENT OR COMPROMISE OR BE ENTITLED TO ANY FURTHER NOTICE OR DISTRIBUTION UNDER THE PLAN, IF ANY;***

3. ***YOU SHALL NOT BE ENTITLED TO ANY PROCEEDS OF SALE OF ANY OF ENCOREFX'S ASSETS; AND***

4. ***YOU SHALL NOT BE ENTITLED TO PARTICIPATE AS A CREDITOR IN THE CCAA PROCEEDINGS OF ENCOREFX.***

APPENDIX "D"
(to the Claims Process Order)

Proof of Claim Forms

Form D-1: Proof of Claim of EncoreFX Inc. ("EncoreFX")

Please read carefully the enclosed Instruction Letter for completing this Proof of Claim form. Terms in capital letters which are not defined within this Proof of Claim form shall have the meaning ascribed thereto in the Claims Process Order dated April 8, 2021 as same may be amended from time to time (the "**Claims Process Order**"). **Please print legibly.**

1. PARTICULARS OF CREDITOR

(a) Full Legal Name of Creditor (include trade name, if different):

____

____

(the "**Creditor**"). The full legal name should be the name of the Creditor of EncoreFX, notwithstanding whether an assignment of a Claim has occurred.

(b) Full Mailing Address of the Creditor: (The mailing address should be the mailing address of the Creditor and not an assignee.)

____

____

(c) Other Contact Information of the Creditor:

Telephone Number: ____

E-mail Address: ____

Facsimile Number: ____

Attention (Contact Person): __________________________________

Has the Claim set out herein been sold, transferred or assigned by the Creditor to another party?

Yes: ☐ No: ☐

2. PARTICULARS OF ASSIGNEE(S) (IF APPLICABLE)

If the Claim set out herein has been sold, transferred or assigned, complete the required information set out below.

(a) Full Legal Name of the Assignee:

____

____

(b) Full Mailing Address of the Assignee:

____

____

(c) Other Contact Information of the Assignee:

Telephone Number: ______________________________

E-mail Address: ______________________________

Facsimile Number: ______________________________

Attention (Contact Person): ______________________________

3. PROOF OF CLAIM

THE UNDERSIGNED HEREBY CERTIFIES AS FOLLOWS:

That I:

☐ am a Creditor of EncoreFX; OR

☐ am

____
(state position or title)

of

____
(Name of the Creditor)

That I have knowledge of all the circumstances connected with the Claim described and set out below;

EncoreFX was and still is indebted to the Creditor as follows (*include all Claims that you assert against EncoreFX*):

$________________CAD [Insert $ value of Claim]

4. NATURE OF CLAIM

(CHECK AND COMPLETE APPROPRIATE CATEGORY)

[ ] A. UNSECURED CLAIM OF $____________ CAD
That in respect of this debt, I do not hold any assets of the debtor as security and
[ ] Regarding the amount of $_________CAD, I do not claim a right to a priority.

[ ] Regarding the amount of $_________CAD, I claim a right to a priority under section 136 of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**") or would claim such a priority if this Proof of Claim was being filed in accordance with the B IA, or otherwise claim a right to a priority over unsecured creditors.

(Set out on an attached sheet details to support any priority claim)

[ ] B. SECURED CLAIM OF $_______________ CAD
That in respect of this debt, I hold assets of the debtor valued at $________CAD as security, the particulars of which are as follows:

____

____

____

Give the full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.

5. PARTICULARS OF THE CLAIM

Other than as already set out herein, the particulars of the undersigned's total Claim against EncoreFX are attached on a separate sheet.

Provide all particulars of the Claim and supporting documentation, including amount, description of transaction(s) or agreement(s) giving rise to the Claim, name of any guarantor which has guaranteed the Claim and amount of invoices, particulars of all credits, discounts and so forth claimed, description of the security, if any, granted by EncoreFX to the Creditor and estimated value of such security and particulars of any Claim.

6. FILING OF CLAIM

This Proof of Claim form must be received by the Monitor by no later than **4:00 p.m. (Pacific Daylight Time) on the Claims Bar Date of May 5, 2021**, by either registered mail, personal delivery, courier, e-mail (in PDF format) or facsimile transmission at the following address:

The Court-Appointed Monitor of EncoreFX Inc.,

Ernst & Young Inc.
700 West Georgia Street
Vancouver, BC V7Y 1C7
Email: jason.eckford@parthenon.ey.com
Facsimile: 604.899.3530
Attention: Jason Eckford

Failure to file your Proof of Claim and any required documentation as directed in relation to any Claim by 4:00 p.m. (Pacific Daylight Time) on May 5, 2021 will result in your Claim being forever barred and extinguished and you will be prohibited from making or enforcing a Claim against EncoreFX and shall not be entitled to further notice or distribution, if any, and shall not be entitled to participate as a Creditor in these proceedings.

7. EXCLUDED CLAIMS

The following are Excluded Claims and no Person needs to file any claim in respect thereof at this time: (i) any Claim or portion of a Claim arising from a cause of action for which the Petitioner is covered by insurance, but only to the extent of that coverage; and (ii) any other Claim arising solely as a result of events occurring after the CCAA Filing Date (other than Subsequent Claims).

DATED this _____ day of ___________, 2021.

____
Witness:

Per: ______________________________

Print name of Creditor:

____

If Creditor is other than an individual, print name and title of authorized signatory
Name: ______________________________
Title: ______________________________

Form D-2: Property Proof of Claim of EncoreFX Inc. ("EncoreFX")

Please read carefully the enclosed Instruction Letter for completing this Property Proof of Claim form. Terms in capital letters which are not defined within this Property Proof of Claim form shall have the meaning ascribed thereto in the Claims Process Order dated April 8, 2021 as same may be amended from time to time (the "**Claims Process Order**"). **Please print legibly.**

PARTICULARS OF CLAIMANT

(a) Full Legal Name of Claimant (include trade name, if different):

____

____

(the "**Claimant**").

(b) Full Mailing Address of the Claimant: (The mailing address should be the mailing address of the Claimant)

____

____

(c) Other Contact Information of the Claimant:

Telephone Number: ______________________________

E-mail Address: ______________________________

Facsimile Number: ______________________________

Attention (Contact Person): ________________________

FILING OF CLAIM

This Proof of Claim form must be received by the Monitor by no later than **4:00 p.m. (Pacific Daylight Time) on the Claims Bar Date of May 5, 2021**, by either registered mail, personal delivery, courier, e-mail (in PDF format) or facsimile transmission at the following address:

The Court-Appointed Monitor of EncoreFX Inc.,
Ernst & Young Inc.
700 West Georgia Street
Vancouver, BC V7Y 1C7
Email: jason.eckford@parthenon.ey.com
Facsimile: 604.899.3530
Attention: Jason Eckford

Failure to file your Proof of Claim and any required documentation as directed in relation to any Claim by 4:00 p.m. (Pacific Daylight Time) on May 5, 2021 will result in your Claim being forever barred and extinguished and you will be prohibited from making or enforcing a Claim against EncoreFX and shall not be entitled to further notice or distribution, if any, and shall not be entitled to participate as a Creditor in these proceedings.

CERTIFICATION BY CLAIMANT

I, ______________________, of the __________ of ____________ in the Province of ______________, do hereby certify:

1. that I am the Claimant, (or that I am) ____________ (Position) of ______________ (Claimant Name);
2. that I have knowledge of all the circumstances connected with the claim referred to below;
3. that as at March 30, 2020, the property enumerated in the document(s) attached and marked "A" (and "B") was in the possession of EncoreFX, and still remains in the possession of the Monitor;
4. that the Claimant hereby claims that property, or interest or right in it, by virtue of the document(s) attached and marked "A" (and "B"), namely:

   ____

   ____

   (Set out the particulars of all documents serving as proof of the claim, giving

   (i) the grounds on which the claim is based, and

   (ii) sufficient particulars to enable the property to be identified; if the particulars do not appear on the face of the documents, attach an additional statement marked "B" setting them forth.)

5. that the Claimant is entitled to demand from the Monitor the return of the property enumerated in these document(s); and

6. that I hereby demand that the Monitor return to me (or to the Claimant whom I represent) the property enumerated in the document(s).

Sworn (**or** Solemnly declared)

before for me at ____________________, (city, town or village)

in the province of ____________________,

on this day ____ of ____________________, ________.

____

Commissioner of Oaths

____

Signature of Claimant

APPENDIX "E"
(to the Claims Process Order)

<u>Claim Amount Notice</u>
<u>of EncoreFX Inc. ("EncoreFX")</u>

Full Legal Name of Creditor: ______________________

Pursuant to the order of the Supreme Court of British Columbia dated April 8, 2021 and as may be amended restated or supplemented from time to time (the "**Claims Process Order**"), Ernst & Young Inc., in its capacity as Monitor of EncoreFX, hereby gives you notice that EncoreFX in consultation with the Monitor, has determined your Claim as follows:

Unsecured (**$CAD)**	**Priority** (**$CAD**	**Secured** (**$CAD)**	**TOTAL** (**$CAD)**
$	$	$	$

If you do not agree with this Claim Amount Notice, please take note of the following:

<u>If you intend to dispute this Claim Amount Notice, you must deliver a Proof of Claim, in the form attached hereto, by prepaid registered mail, personal delivery, email (in PDF format), courier or facsimile transmission to;</u>

The Court-Appointed Monitor of EncoreFX Inc.,
Ernst & Young Inc.
700 West Georgia Street
Vancouver, BC V7Y 1C7
Email: jason.eckford@parthenon.ey.com
Facsimile: 604.899.3530
Attention: Jason Eckford

<u>so that such Proof of Claim is received by the Monitor by 4:00pm (Pacific Daylight Time) on May 5, 2021 being the Claims Bar Date, or such other date as may be agreed by the Monitor.</u>

If you do not deliver a Proof of Claim by the time specified, the nature and amount of your Claim, if any, shall be as set out in this Claim Amount Notice for voting and/or distribution purposes.

IF YOU FAIL TO TAKE ACTION WITHIN THE PRESCRIBED TIME PERIOD, THIS CLAIM AMOUNT NOTICE WILL BE BINDING UPON YOU.

DATED at the City of Vancouver in the Province of British Columbia, this _____ day of April, 2021

ERNST & YOUNG INC.
in its capacity as Monitor appointed in the CCAA Proceedings
in relation to EncoreFX Inc.
and not in its personal or corporate capacity

Per:

Jason Eckford, CPA
Director, Turnaround & Restructuring Strategy

APPENDIX "F"
(to the Claims Process Order)

Convenience Creditor Form of EncoreFX Inc. ("EncoreFX")

This Convenience Creditor Form is being provided to you in accordance with the terms of the EncoreFX Plan of Arrangement dated __________, 2021 (the "**Plan**"). You may also receive a Claim Amount Notice Form.

If you qualify as a Convenience Creditor of EncoreFX, then you may receive either or both of the following documents:

1. **Claim Amount Notice.** This form determines the classification and amount of your Claim based on the information available to the Monitor. If you agree with the information in the Claim Amount Notice and you do not wish to elect to be a Convenience Creditor, then you do not need to file a Proof of Claim or a Convenience Creditor Form and you are entitled to vote on the Plan. If you disagree with the Monitor's determination of your Claim in the Claim Amount Notice, then you are required to deliver a Proof of Claim to the Monitor before the Claims Bar Date.
2. **Convenience Creditor Form.** This form enables you to elect to be a Convenience Creditor. If you wish to elect to become a Convenience Creditor, then you must complete this form and deliver it to the Monitor before 4:00 p.m. (Pacific Daylight Time) on May 5, 2021 (the "**Claims Bar Date**"). If you elect to be a Convenience Creditor, then you are automatically deemed to have voted in favour the Plan.

If you do not receive a Claim Amount Notice or a Convenience Creditor Form and you wish to prove a Claim in these CCAA Proceedings, then you are required to deliver a Proof of Claim to the Monitor before the Claims Bar Date, otherwise you will be forever barred, estopped and enjoined from asserting or enforcing any such Claim (or filing a Proof of Claim with respect to such Claim) against EncoreFX and such Claim shall be forever extinguished.

FULL LEGAL NAME OF CREDITOR: ______________________

AMOUNT OF CLAIM: ______________________

By signing this Creditor Convenience Form below I confirm that:

1. I am an Unsecured Creditor with a Proven Claim (as defined in the Plan) totaling less than CAD $31,250;
2. I hereby elect to either (please circle one):
    a. receive a one-time distribution of 100% of the value of my Proven Claim, up to a maximum of CAD $5,000; or

b. where my claim is between \$5000 and \$31,250, to reduce my claim to \$5,000 (for distribution purposes only) and receive a one-time distribution of CAD \$5,000 in full satisfaction of my Proven Claim;

3. If I have selected either 2 a. or 2 b. above, I am deemed to have voted in favour of the Plan.

DATED this _____ day of ___________, 2021.

_________________________________ Per: _______________________________

Witness:

Print name of Creditor:

____

If Creditor is other than an individual, print name and title of authorized signatory

Name: ___________________________

Title: ____________________________

APPENDIX "G"
(to the Claims Process Order)

Notice of Revision or Disallowance of EncoreFX Inc. ("EncoreFX")

Name of Creditor: ____________________________

Reference #: ________________________________

Terms in capital letters which are not defined within this Notice of Revision or Disallowance form have the meaning ascribed thereto in the Claims Process Order dated April 8, 2021. Pursuant to the Claims Process Order, Ernst & Young Inc., in its capacity as Monitor of EncoreFX, hereby gives you notice that it has reviewed your Proof of Claim and has revised or rejected your Claim as follows:

A) Your Claim has been revised or rejected for:

Voting purposes ☐

Distribution purposes ☐

B) Revision or Disallowance:

	Proof of Claim as Submitted	**The Revised Claim as Accepted**
Claim arising prior to March 30, 2020		

C) Reason for the Revision or Disallowance:

____

____

____

____

IF YOU DO NOT AGREE WITH THIS NOTICE OF REVISION OR DISALLOWANCE, PLEASE TAKE NOTICE OF THE FOLLOWING:

If you intend to dispute this Notice of Revision or Disallowance you must, in relation to a Claim, no later than five (5) days of the date of this Notice of Revision or Disallowance, deliver a Dispute Notice by registered mail, personal service, facsimile, e-mail (in PDF format) or courier to the addresses or fax numbers indicated herein. The form of Dispute Notice is attached to this Notice.

If you do not deliver a Dispute Notice, the value of your Claim shall be deemed to be as set out in this Notice of Revision or Disallowance.

Address for Service of Dispute Notices:

> **The Court-Appointed Monitor of EncoreFX Inc.,**
> **Ernst & Young Inc.**
> 700 West Georgia Street
> Vancouver, BC V7Y 1C7
> Email: jason.eckford@parthenon.ey.com
> Facsimile: 604.899.3530
> Attention: Jason Eckford

IF YOU FAIL TO TAKE ACTION WITHIN THE PRESCRIBED TIME PERIODS, THIS NOTICE OF REVISION OR DISALLOWANCE WILL BE BINDING UPON YOU FOR VOTING AND/OR DISTRIBUTION PURPOSES UNDER THE PLAN.

DATED this ________ day of ___________, 2021.

ERNST & YOUNG INC., in its capacity as Court Appointed Monitor of EncoreFX Inc.

____

APPENDIX "H"
(to the Claims Process Order)

<u>Dispute Notice of EncoreFX Inc. ("EncoreFX")</u>

Terms in capital letters which are not defined within this Dispute Notice form have the meaning ascribed thereto in the Claims Process Order dated April 8, 2021. Pursuant to the Claims Process Order, we hereby give you notice of our intention to dispute the Notice of Revision or Disallowance bearing Reference Number _________ and dated ____________, issued by Ernst & Young Inc. in its capacity as Monitor of EncoreFX in respect of our Claim.

Name of Creditor: ___________________

Reasons for Dispute (attach additional sheet and copies of all supporting documentation if necessary):

____

____

Signature of Individual/Authorized Signing Officer: ____________________________

Date: ________________________________

(Please print name) ______________________

Telephone Number: (   )____________ Facsimile Number: (   )___________

E-mail Address: ___________________

Full Mailing Address:

THIS FORM AND SUPPORTING DOCUMENTATION TO BE RETURNED BY REGISTERED MAIL, PERSONAL SERVICE, FACSIMILE, E-MAIL (IN PDF FORMAT) OR COURIER TO THE ADDRESS INDICATED HEREIN AND TO BE RECEIVED NO LATER THAN____________, 2021:

Address for Service of Dispute Notices:

The Court-Appointed Monitor of EncoreFX Inc.,
Ernst & Young Inc.
700 West Georgia Street
Vancouver, BC V7Y 1C7
Email: jason.eckford@parthenon.ey.com
Facsimile: 604.899.3530
Attention: Jason Eckford

The Monitor or Creditor may dispute the Creditor's Claim by bringing an application before the Court in these proceedings to determine the classification and/or amount of its Claim or Subsequent Claim by serving on the Monitor, and by filing with the Court, a Notice of Application to that effect (the "**Claim Application**"). If a Claim Application is not filed within five (5) days of delivering the Notice of Dispute under paragraph 31 of the Claims Process Order, or such other date as may be agreed by the Monitor, then the Claim set out in the Notice of Revision or Disallowance (as applicable) shall be the Creditor's Proven Claim.

APPENDIX "I"
(to the Claims Process Order)

Notice To Creditors of EncoreFX Inc. ("EncoreFX")

RE: NOTICE OF CLAIMS PROCEDURE FOR ENCOREFX PURSUANT TO THE *COMPANIES' CREDITORS ARRANGEMENT ACT*

PLEASE TAKE NOTICE that this notice is being published pursuant to an order of the Supreme Court of British Columbia dated April 8, 2021 (the "**Order**") establishing a procedure for determining the amount of Claims (as defined in the Order) against EncoreFX. The Court has ordered that the Monitor send Proof of Claim forms to the known creditors of EncoreFX who have not received a Claim Amount Notice (or disputes the Claim Amount Notice) from the Monitor. Any person who has not received a Proof of Claim form or a Claim Amount Notice (or disputes the Claim Amount Notice) and who believes that they have a claim against EncoreFX which claim arose prior to March 30, 2020 should send a completed Proof of Claim to the Monitor to be received by **4:00 p.m. (Pacific Daylight Time) on May 5, 2021** (the "**Claims Bar Date**").

CLAIMS WHICH ARE NOT RECEIVED BY THE MONITOR BY THE CLAIMS BAR DATE WILL BE BARRED AND EXTINGUISHED FOREVER.

Creditors who have not received a Proof of Claim the Monitor should contact Jason Eckford, Ernst & Young Inc., the Court-appointed Monitor of EncoreFX (Telephone: 604.891.8280, Facsimile: 604.899.3530, e-mail: jason.eckford@parthenon.ey.com) to obtain a Proof of Claim package.

A Claim Package is available on the Monitor's website: www.ey.com/ca/EncoreFX/.

DATED at Vancouver, this ____ day of __________, 2021

APPENDIX "C"
(to the Creditor's Meeting Order)

Electronic Meeting Protocol

By order of the Supreme Court of British Columbia (the "**Court**") pronounced April 8, 2021 (the "**Creditor's Meeting Order**"), Ernst & Young Inc., the Court-appointed monitor (the "**Monitor**") of EncoreFX Inc. ("**EncoreFX**") in the within proceedings (the "**CCAA Proceedings**"), has been authorized to convene, hold and conduct a meeting of EncoreFX's Affected Creditors (the "**Meeting**") to consider and vote on the Plan of Compromise and Arrangement of EncoreFX dated for reference April 6th , 2021 as may be amended (the "**Plan**").

To facilitate the Meeting during the COVID-19 pandemic, and to promote and maintain safe social distancing, the Court has approved the following substantive Electronic Meeting Protocol (the "**Protocol**"). Capitalized terms not otherwise defined in this Protocol have the meanings ascribed to them in the Plan and the Creditor's Meeting Order. Copies of the Plan and the Creditor's Meeting Order are available at the Monitor's Website: www.ey.com/ca/EncoreFX.

MEETING DETAILS

1. Date of Meeting: May 11, 2021

2. Time of Meeting: 3:00 p.m. (Pacific Daylight Time)

3. Meeting Platform: MS Teams

TECHNOLOGY AND MEETING ETIQUETTE

4. The Creditor's Meeting will be conducted using the MS Teams virtual meeting platform. MS Teams can be downloaded at https://www.microsoft.com/en-ca/microsoft-teams/download-app or accessed through your web browser.

5. Prior to the Creditor's Meeting, you are required to learn the software, as the Chair will not have the capacity to answer questions concerning the technology during the Creditor's Meeting.

6. During the Creditor's Meeting:

    a. leave your microphone device on mute until recognized by the Chair to prevent background noise; and

    b. turn your video feed off within the program, to prevent unnecessary use of bandwidth.

PRE-MEETING REQUIREMENTS

7. **Proxy cut-off:** All proxies to be deposited with the Chair in accordance with the Creditor's Meeting Order must be received by the Monitor at 700 West Georgia Street Vancouver, BC V7Y 1C7 or by email: jason.eckford@parthenon.ey.com or by fax: 604.899.3530 to the attention of Jason Eckford by 9:00 a.m. (Pacific Daylight Time) on May 11, 2021. The Monitor will provide you with confirmation of receipt. If you have not received a confirmation of receipt by 1:00 p.m. (Pacific Daylight Time) on May 11, 2021, please follow up with the Monitor by email to: jason.eckford@parthenon.ey.com.

8. **Attendance Notice:** Parties intending to attend the meeting shall notify the Monitor by email at jason.eckford @parthenon.ey.com by 8:30 a.m. (Pacific Daylight Time) on May 11, 2021. The Monitor will provide you with confirmation of receipt. If you have not received a confirmation of receipt by 1:00 p.m. (Pacific Daylight Time) on May 11, 2021, please follow up with the Monitor by email to: jason.eckford @parthenon.ey.com.

9. Prior to the Meeting, the Monitor will provide information by email to parties that have delivered proxies or notice of in-person virtual attendance. The information to be provided in advance of the Meeting is:

   a. a proposed agenda for the Meeting;

   b. a unique creditor identification number;

   c. confirmation as to the status of your claim (whether it is admitted or contested for voting purposes); and

   d. the Meeting ID and password.

CONDUCT AT MEETING

Registration

10. The MS Teams Meeting will be open at 2:30 p.m. (Pacific Daylight Time) on May 11, 2021 to provide sufficient time for registration. You are encouraged to call in early, and no later than 2:45 p.m. (Pacific Daylight Time) so that the registration process can be completed in a timely fashion and not delay the commencement of the Meeting. The Meeting will begin promptly, and the Chair may not have capacity to admit late registrations.

11. During the registration process, you will be required to:

    a. identify yourself by your unique creditor identification number and/or whether you hold a proxy;

b. identify any additional individuals in attendance with you, including their capacity (legal counsel and firm as applicable); and

c. confirm your contact details and claim amount.

Calling the Meeting to Order

12. The Chair will maintain a roster of all participants compiled during the registration process. When a motion is called for by the Chair, either as a standard protocol motion for such meetings or based on a request for a motion generally, the Chair will request from the general population of Affected Creditors in attendance at the Meeting for:

a. a second of the motion; and

b. a call for a vote on the motion, by way of ordinary resolution, as may be required in the circumstances.

13. In all instances, and in respect of all motions and votes, the Chair is authorized to accept ballots and/or votes electronically, by a show of hands, or by such other means as the Chair deems sufficient in the circumstances.

Questions at the Meeting

14. The MS Teams platform includes a chat feature that allows you to submit questions to the Chair electronically. For the purposes of asking questions at the Meeting, please use the chat feature, and

a. include your creditor identification number, and

b. state your interest in asking a question.

15. The Chair will recognize your interest in asking a question in the following priority:

a. those that have submitted requests via the chat function, and in the order of registration; and

b. those that are unable to register on the chat or prefer not to do so, via a general call for questions.

16. Once recognized by the Chair, and before asking your question, please state:

a. your creditor identification number;

b. your name; and

c. the creditor you represent.

You may then ask your question.

17. For clarity, you will not be permitted to ask a question or to speak at the Meeting unless and until you have been recognized by the Chair.

POST-MEETING REPORTING

18. The Monitor will, within two (2) Business Days of the Meeting, provide a report that includes:

a. a summary of all motions called at the Meeting;

b. the result of the votes on each motion; and

c. such further and other information as determined by the Chair to be necessary.

The report will be available on the Monitor's website at: www.ey.com/ca/EncoreFX.

APPENDIX "D"
(to the Creditor's Meeting Order)

Newspaper Notice of Meeting of Creditors

RE: NOTICE OF MEETING OF CREDITORS REGARDING ENCOREFX INC. ("EncoreFX") PURSUANT TO THE *COMPANIES' CREDITORS ARRANGEMENT ACT*

PLEASE TAKE NOTICE that this notice is being published pursuant to an order of the Supreme Court of British Columbia dated April 8, 2021 (the "**Order**") setting a meeting of the creditors of EncoreFX (the "**Meeting of Creditors**") for the purpose of voting on the plan of compromise or arrangement of EncoreFX (the "**Plan**").

The Meeting of Creditors will take place at 3:00 p.m. (Pacific Daylight Time) on May 11, 2021. The Meeting of Creditors will be held virtually and will be chaired by Ernst & Young Inc., the Court-appointed Monitor of EncoreFX (the "**Monitor**").

Further details regarding the Meeting of Creditors, including copies of the Order, the Plan, the protocol regarding the virtual Meeting of Creditors, a plan information letter as prepared by the Monitor, and the form of proxy to be used for the purpose of voting on the Plan are all available on the Monitor's website: www.ey.com/ca/EncoreFX/.

DATED at Vancouver, this ___ day of April, 2021

APPENDIX "E"
(to the Creditor's Meeting Order)

Plan Information Letter

April [ ], 2021

To: The Affected Creditors of EncoreFX Inc. ("**EncoreFX**" or the "**Company**")

INFORMATION LETTER REGARDING A PLAN OF COMPROMISE AND ARRANGEMENT (the "PLAN") UNDER *THE COMPANIES' CREDITORS ARRANGEMENT ACT* ("CCAA")

IN RESPECT OF

ENCOREFX INC.

On March 30, 2020 (the "**Bankruptcy Date**"), EncoreFX filed an assignment into bankruptcy (the "**BIA Proceedings**"). Ernst & Young Inc. ("**EYI**") consented to act as the licensed insolvency trustee (the "**Trustee**") in the estate of EncoreFX (the "**Estate**").

On March 30, 2021, the Trustee sought and obtained an Order of the Supreme Court of British Columbia (the "**Court**") which converted the BIA Proceedings to CCAA Proceedings and appointed EYI as "**Monitor**" to administer the CCAA Proceedings. On April 8, 2021, the Monitor sought and obtained Orders of the Court authorizing and directing, among other things, the Monitor to:

- administer a "**Claims Process**" to determine the claims of creditors ("**Claims**"):
- call, hold and conduct "**Creditor's Meeting**" to consider and vote on the Plan.

This letter has been prepared by the Monitor in respect of the distribution of the Plan and the solicitation of proxies for use at the Creditor's Meeting to consider the Plan.

A fulsome description of the Company, the timeline of events resulting in these proceedings and background regarding the Plan is provided in a Report of the Proposed Monitor (the "**Monitor's Report**") that is available together with copies all materials and documents, including the Court Orders referenced in this letter on the Monitor's website at www.ey.com/ca/EncoreFX.

All capitalized terms used herein and not otherwise defined have the meaning ascribed to them in the Plan.

Introduction

Various Claims including a Secured Claim and a number of Property Claims have been asserted against EncoreFX which are potentially subject to extensive and uncertain litigation in the Bankruptcy Proceedings. A description of these Claims is provided in the Monitor's Report.

The Plan seeks to avoid depletion of the Estate's assets resulting from extensive and uncertain litigation and to achieve a balance of the equities of the stakeholders of EncoreFX. The Plan aims to achieve this by providing a global resolution of the Affected Claims as against the Estate of EncoreFX by way of the distribution of all funds and other assets recovered by the Trustee, and that may be recovered by the Monitor.

The terms of the Plan contemplate that the Affected Creditors of EncoreFX will receive a partial payment of their Proven Claims in full satisfaction of their Proven Claims.

The Plan shall have three (3) classes ("**Classes**" or "**Affected Creditor Classes**") of creditors (collectively, the "**Affected Creditors**") and the initial distribution (the "**Initial Distribution**") shall be as follows:

Class	Initial Proposed Settlement
General Unsecured Creditors	• Each General Unsecured Creditor with a Proven Claim, the amount of which is <u>equal to or less than $5,000</u>, shall receive a cash distribution in an amount equal to 100% of their Proven Claim. • Each General Unsecured Creditor with a Proven Claim, the amount of which is <u>greater than $5,000 but below $31,250</u>, shall receive a cash distribution of: i) an <u>amount equal to $5,000</u> if it has filed a Convenience Creditor Form with the Monitor before the Claims Bar Date; or ii) a Percentage Distribution in an amount <u>equal to 16% of their Proven Claim.</u> In the event that a General Unsecured Creditor with a Proven Claim greater than $5,000 but less than $31,250 fails to file a Convenience Creditor Form with the Monitor on or before the Election Deadline, the General Unsecured Creditor shall be deemed to have elected to receive a Percentage Distribution. • Each General Unsecured Creditor with a Proven Claim, the amount of which is greater than $31,250, shall receive a cash distribution in an amount equal to 16% of their Proven Claim. • The Class of General Unsecured Creditors includes Affected Creditors with Claims regarding Margin Deposits.
Property Claimants[1]	• Each Property Claimant with an accepted Property Claim, shall receive a cash distribution in an amount equal to 66.67% of their respective Property Claim.
Secured Creditor	• $12,000,000.

(1) "**Property Claimants**" are comprised of Affected Creditors with <u>**outstanding**</u> Property Claims that were properly filed in the BIA and are currently under appeal by the Claimant. A list of the Property Claims is posted to the Website. <u>**The Plan does not allow for new Property Claims to be filed and does not include Affected Creditors with Claims regarding Margin Deposits as Property Claimants.**</u>

Upon payment of the Initial Distributions, the remaining funds shall be distributed by the Monitor as follows:

- first, to the Secured Creditor in an amount of $4,944,475; and
- second, proportionately to the Secured Creditor and the Property Claimants.

At the Creditor's Meeting, the Affected Creditors will vote on whether to approve the Plan.

<u>Filing of Claims</u>

The amount and classification your Claim (as reflected in the books and records of EncoreFX) is set out in a Claim Amount Notice enclosed with this mailing.

<u>If you agree</u> with the amount and classification of your Claim in the Claim Amount Notice then <u>you are not required to complete a Proof of Claim</u>. Your Claim will be deemed to have been accepted for all purposes at the amount and categorization set out in the Claim Amount Notice.

<u>If you dispute</u> either the amount or classification of your Claim, <u>you must deliver a Proof of Claim</u> to the Monitor by no later than 4:00PM (Pacific Daylight Time) on May 5, 2021 (the "**Claims Bar Date**").

<u>Creditor's Meeting</u>

The Creditor's Meeting will be held at **3:00 p.m. Pacific Daylight Time ("PDT") on May 11, 2021** via teleconference (MS Teams) and in accordance with the Electronic Meeting Protocol.

Parties intending to attend the Creditor's Meeting in person are required to notify the Monitor by email prior to 8:30 am PDT on May 11, 2021.

Affected Creditors with a Proven Voting Claim shall be entitled to attend and vote at the Creditor's Meeting in person or by proxy.

<u>Creditor Voting</u>

To vote by proxy an Affected Creditor must submit the Proxy and Voting Letter to the Chair on or before 9:00 am PDT on May 11, 2021 or must deposit the Proxy with the Chair before the beginning of the Creditor's Meeting.

Each Affected Creditor with one or more Proven Claims shall be entitled to one (1) vote in the appropriate creditor class and the weight attributed to such vote (for the purposes of determining the Required Majorities) shall be equal to the aggregate Canadian dollar value of such Affected Creditor's Proven Claim.

In order to participate in any voting associated with the Plan, any party having a Claim must have filed a Proof of Claim with the Trustee or Monitor in accordance with the Claims Process Order made April 8, 2021.

<u>Approval by an Affected Creditor Class</u>

EYI will seek approval of this Plan by the affirmative vote of the Required Majority of the Affected Creditors with Proven Claims.

Required Majority means the affirmative vote of:

- a majority of Affected Creditors having Proven Claims and voting on the Resolution (in person or by proxy) at the Creditor's Meeting, and representing; and
- not less than 66⅔% in value of the Proven Claims voting on the Resolution (in person or by proxy) at the Creditor's Meeting;

Monitor's Recommendation

For reasons described in the Monitor's Report, the Monitor is of the view that the Plan amongst other things:

- was carefully considered and approved by the Inspectors who were elected to represent creditor interests in the BIA Proceedings;
- provides General Unsecured Creditors with at least a 16% recovery which is a superior recovery than they would otherwise receive should the litigation of outstanding matters continue; and
- allows for a distribution in the very near future that would otherwise not be feasible given the outstanding litigation between the Trustee on behalf of the Estate and various Claims that have been asserted against the Estate and are currently under dispute.

The alternative to the Plan is the continuation of the liquidation proceedings of the Company and litigation of the Claims asserted against the which could result in unlimited range of possible recoveries to General Unsecured Creditors, none of which are likely to result in a superior recovery than the proposal put forward under the Plan.

A more fulsome analysis and basis for its recommendations are set out in the Monitor's Report.

If you have any questions regarding this letter or any of the documents contained in this mailing, please contact Mr. Jason Eckford by telephone at 604 648 3671 or by email 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:

Mike Bell, CPA, CA, CIRP, LIT	**Peter Venetsanos, CPA, CA, CIRP, LIT**
Senior Vice President	**Vice President**

APPENDIX "F"
(to the Creditor's Meeting Order)

Form of Proxy

No. S212302
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF ENCOREFX INC.

PETITIONER

PROXY

RE: PLAN OF COMPROMISE AND ARRANGEMENT OF ENCOREFX INC.

Before completing this Proxy, please read carefully the accompanying Instructions for Completion of Proxy.

All capitalized terms used herein and not otherwise defined have the meaning ascribed to them in the amended consolidated plan of compromise and arrangement of EncoreFX Inc. dated for reference April 6th, 2021 , as may be amended from time to time (the "**Plan**") and filed pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**").

THIS PROXY MUST BE COMPLETED, SIGNED AND RETURNED BY THE RECIPIENT TO ENCOREFX INC.'S COURT-APPOINTED MONITOR, ERNST & YOUNG INC., AT THE ADDRESS PROVIDED IN THE INSTRUCTIONS FOR COMPLETION OF PROXY BY NO LATER THAN 9:00 A.M. (PACIFIC DAYLIGHT TIME) ON MAY 11, 2021. NO PROXY WILL BE ACCEPTED BY THE CHAIR AFTER THIS TIME.

THE UNDERSIGNED AFFECTED CREDITOR revokes all proxies previously given and hereby nominates, constitutes and appoints:

A. ____________________ (the "**Named Nominee**"),

B. Mike Bell of Ernst & Young Inc., in its capacity as Court-appointed Monitor of EncoreFX Inc., or such person as the Monitor may designate, in their sole and absolute discretion, with the power of substitution (the "**Deemed Nominee**"), as nominee of the Affected Creditor to exercise all voting rights and any rights ancillary thereto which are necessary to permit the Named Nominee or the Deemed Nominee, as applicable, to vote the value of the undersigned Affected Creditor's Affected Claims (as determined pursuant to the Claims Process Order) at the Meeting held to consider and vote on the Plan, and any other matters that may be put before the Meeting, as follows:

1. [ ] VOTE FOR approval of the Plan; or

   [ ] VOTE AGAINST approval of the Plan; and

2. [ ] Vote and otherwise act at the discretion of the Named Nominee or Deemed Nominee, as applicable, for and on behalf of the Affected Creditor in respect of any variations, amendments, modifications or supplements to the Plan and to any other matters that may come before the Meeting.

If this Proxy is submitted and a box is not marked as a vote for or against approval of the Plan, this Proxy shall be voted FOR approval of the Plan.

If this Proxy is submitted with both boxes marked, this Proxy shall be voted FOR approval of the Plan.

DATED this ____________ day of ____________, 2021

____
Witness Signature
(only applicable if Creditor is an individual)

Per: ______________________________
Print Name of Creditor

____
Signature of Affected Creditor or, if the Affected Creditor is a corporation, signature of the authorized signing officer of the corporation

____
Mailing Address of Affected Creditor

____
Email Address of Affected Creditor

____
Phone Number of Affected Creditor

INSTRUCTIONS FOR COMPLETION OF PROXY

1. Each Affected Creditor who has a right to vote at the Meeting has the right to appoint a Nominee (who need not be an Affected Creditor) to attend, act and vote for and on behalf of the Affected Creditor at the Meeting, or any adjournment thereof, and such right may be exercised by inserting in the space provided the name of the person to be appointed.

2. If no person is named as the Nominee in the space provided above to act as proxy for the Affected Creditor, Mike Bell of Ernst & Young Inc., in its capacity as Court-appointed Monitor of EncoreFX Inc., or such person as the Monitor may designate, shall be deemed to be appointed as the Deemed Proxyholder for the Affected Creditor.

3. If a Nominee or a Deemed Proxyholder is appointed or deemed to be appointed to act as proxy for the Affected Creditor and the said Affected Creditor fails to indicate on this Proxy a vote for or against approval of the Plan, this Proxy will be voted FOR approval of the Plan.

4. If this Proxy is not dated in the space provided, it shall be deemed to be dated on the date it is received by the Monitor.

5. This Proxy must be signed by the Affected Creditor or by the Affected Creditor's attorney duly authorized in writing or, if the Affected Creditor is a corporation, by a duly authorized officer or attorney of the corporation with an indication of the title of such officer or attorney.

6. Valid Proxies executed by the Affected Creditor and bearing or deemed to bear a later date shall revoke this Proxy. If more than one valid Proxy for the same Affected Creditor and bearing or deemed to bear the same date are received with conflicting instructions, such Proxies will be treated as disputed Proxies and shall not be counted.

7. This Proxy must be sent to the Monitor by email, courier, facsimile or email (in PDF format) at the address provided below, so that it is received by the Monitor no later than 9:00 a.m. (Pacific Daylight Time) on May 11, 2021.

   The address of the Monitor is as follows:

Ernst & Young Inc.
700 West Georgia Street
Vancouver, BC V7Y 1C7
Email: jason.eckford @parthenon.ey.com
Facsimile: 604.899.3530
Attention: Jason Eckford