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 THE *BANKRUPTCY AND INSOLVENCY ACT*
R.S.C. 1985 c. B-3

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF ENCOREFX INC.

FIRST REPORT OF THE MONITOR

ERNST & YOUNG INC.,

May 18, 2021

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FIRST REPORT OF THE MONITOR
IN THE CCAA PROCEEDINGS OF
ENCOREFX INC.
Effective as at May 18, 2021

INTRODUCTION AND PURPOSE OF THIS REPORT

1. On March 30, 2020 (the "**Bankruptcy Date**"), EncoreFX Inc. ("**EncoreFX**", the "**Petitioner**", or the "**Company**") 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**").

2. Pursuant to s. 69.3(1) of the *Bankruptcy and Insolvency Act* (Canada), RSC 1985, c B-3 (the "**BIA**"), a stay of proceedings (the "**Stay**") has been in effect with respect to EncoreFX since the Bankruptcy Date.

3. A first meeting of creditors in the bankruptcy of EncoreFX occurred on May 7, 2020, at which point the creditors of EncoreFX, (a) affirmed the appointment of the Trustee, and (b) appointed inspectors in the Estate (the "**Inspectors**").

4. On March 30, 2021, the Supreme Court of British Columbia ("**Court**") granted an initial order ("**Initial Order**") in accordance with the provisions of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the legislation being the "**CCAA**" and the EncoreFX CCAA proceedings being the "**CCAA Proceedings**").

5. The Monitor has retained the services of MLT Aikins LLP ("**MLT Aikins**") to represent it in the CCAA Proceedings.

6. The Monitor has published copies of this First Report of the Monitor (the "**First Report**"), the Report of the Proposed Monitor dated March 10, 2021 and filed on March 11, 2021 (the "**Proposed Monitor's Report**"), the Initial Order, the additional Orders granted by this Honourable Court on April 8, 2021, and other relevant materials in these CCAA

Proceedings and the BIA Proceedings on a website it has set up at www.ey.com/ca/EncoreFX (the "**Website**"). The Monitor continues to make timely updates to the Website as these CCAA Proceedings progress to ensure all stakeholders have access to the most current information.

7. The stakeholders with the largest claims filed against the Estate of EncoreFX are as follows:

   a) Gustavson Capital Corporation ("**GCC**") who has filed a secured claim against the Estate in the approximate amount of CAD $35,887,159 (the "**GCC Secured** Claim"); and

   b) Mr. Andreas Wrede ("**Mr. Wrede**") who filed a property claim in the amount of CAD $28,966,893 (the "**Wrede Property Claim**").

8. The Proposed Monitor's Report describes that on or about November 10, 2020 the Trustee delivered a draft notice of disallowance of the Secured Proof of Claim to Jones Emery Hargreaves Swan LLP, counsel to GCC.

9. Inclusive of the Wrede Property Claim, a total of 84 property claims with a total approximate value of CAD $46,166,442 had been filed and disallowed by the Trustee in the BIA Proceedings of the Company (the "**Property Claims**"). The categories of the types of Property Claims filed are described in the Proposed Monitor's Report at paragraphs 63 to 69.

10. A total twenty-two (22) claimants (the "**Appealed Property Claimants**") including Mr. Wrede, with a total of $35,681,713 in Property Claims, appealed the Trustee's decision to disallow their Property Claims (the "**Appealed Property Claims**"). The Trustee settled three (3) of the Appealed Property Claims totalling of $2,615,338; and 19 customers, with a total of $33,066,375 in Property Claims, had outstanding appeals as of the date of the Initial Order.

11. Following extensive discussions with GCC and Mr. Wrede, an analysis by the Trustee of available legal remedies and continuous consultation with the Inspectors with respect to same, in early to mid January 2021, GCC and Mr. Wrede presented a term sheet which outlined the terms of a proposed settlement transaction (the "**Term Sheet**") that sought to achieve and expedite a global settlement and resolution of the various claims of creditors against EncoreFX ("**Claims**") through a proceedings to be commenced under the CCAA.

12. On January 15, 2021, the Inspectors in the Estate of the Bankruptcy of EncoreFX Inc. approved the Term Sheet which included the procedures noted above. The Trustee, GCC, and Mr. Wrede (the "**Term Sheet Parties**") formally executed the Term Sheet upon approval of same by the Inspectors.

13. On March 11, 2021, EYI, as the proposed Monitor in these CCAA proceedings, filed the Proposed Monitor's Report, the purpose of which was to advise this Honourable Court with respect to, *inter alia*, the following:

    a) the proposed appointment of the Monitor;

    b) a background of the BIA Proceedings;

    c) the transition of insolvency proceedings from the BIA Proceedings to the CCAA Proceedings;

    d) a general overview of the Plan (as defined below) that had been developed by the Monitor in consultation with the Term Sheet Parties and the Estate's Inspectors for the distribution of funds in the Estate to the Company's creditors;

    e) the Proposed Monitor's commentary on the Plan, including in respect of the fairness to the General Unsecured Creditors (as defined below);

    f) a summary of a "**Claims Process**" sought by the Proposed Monitor to determine the Claims of creditors and establish a claims bar date by which creditors must file a "**Proof of Claim**" in the CCAA Proceedings:

g) a summary of a procedure sought by the Proposed Monitor for calling a "**Creditor's Meeting**" to consider and to vote on the Plan, which, if approved by the Requisite Majority (defined below) of creditors at the Creditors' Meeting and sanctioned by this Honourable Court, compromises the Proven Claims (as defined in the Plan) of Affected Creditors (defined below) against the Company. a summary of the Creditor's Meeting Order; and

h) the Proposed Monitor's recommendations with respect to the foregoing.

14. As the Monitor notes above, on March 30, 2021, this Honourable Court granted the Initial Order, which, among other things:

a) approved the granting of the Initial Order[1];

b) appointed EYI as the monitor of EncoreFX (the "**Monitor**") in the CCAA Proceedings;

c) declared that all orders pronounced by this Honourable Court in the BIA Proceedings (the "**Bankruptcy Orders**") apply to and be continued under the within CCAA Proceedings (except as amended by the terms of the Initial Order);

d) authorized the filing of a Plan pursuant to the provisions of the CCAA;

e) provided the Monitor with enhanced powers to maintain possession and control of EncoreFX's property and to continue to carry on EncoreFX's business in a manner consistent with the preservation of the business and the property and other ancillary relief with respect to same; and

f) granted of a stay of proceedings (the "**Stay**") to April 9, 2021 (the "**Stay Period**").

15. The Monitor filed a Plan of Compromise and Arrangement (the "**Initial Plan**") with this Honourable Court on April 6, 2021.

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1 The Monitor notes that on March 30, 2021, this Honourable Court approved a "Conversion Order", but subsequently corrected the nomenclature of same to "Initial Order" in its written reasons dated April 22, 2021 (*EncoreFX (Re)*, 2021 BCSC 750 at paragraphs 63 to 68).

16. On April 8, 2021 this Honourable granted the following Orders approving (collectively the "**April 8 Orders**"):

    a) the proposed Claims Process (the "**Claims Process Order**");

    b) the proposed procedure for the Creditors' Meeting (the "**Creditor's Meeting Order**");

    c) the form of notice and materials to be distributed to the Affected Creditors of the Plan (the "**Claims Process Materials**" and "**Creditor's Meeting Materials**"); and

    d) an extension of the Stay Period to June 22, 2021.

17. On April 27, 2021, the Monitor amended the Initial Plan in accordance with the terms of the Initial Plan and the provisions of the Creditor's Meeting Order as further detailed below (the "**Amended Plan**" and together with the Initial Plan, the "**Plan**").

18. The purpose of this First Report is to provide this Honourable Court with information pertaining to, *inter alia*:

    a) the Monitor's compliance with statutory duties under the CCAA;

    b) creditor notification of the Claims Process and Creditors' Meeting (as defined in the Plan);

    c) the Plan;

    d) the claims against EncoreFX;

    e) the conduct and the results of the vote at the Creditors' Meeting;

    f) the conditions that must be satisfied in order for this Honourable Court to sanction the Plan;

    g) the conditions that must be satisfied or waived in order to achieve implementation of the Plan;

    h) the Monitor's view on the fairness of the Plan; and

    i) the Monitor's recommendations.

TERMS OF REFERENCE

19. In preparing this First Report, the Monitor has been provided with, and in making the comments herein relied upon, unaudited financial information, the Company's books and records, financial information prepared by the Company, and discussions with key individuals within the Company. The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information and, accordingly, the Monitor expresses no opinion or other form of assurance in respect of such information contained in this First Report.

20. Certain information referred to in this First Report consists of forecasts and projections. The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance in respect of the Information.

21. Future oriented financial information referred to in this First Report was prepared based on estimates and probable and hypothetical assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not readily and currently ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variations could be material.

22. This First Report has been prepared for the use of this Honourable Court and EncoreFX's stakeholders as general information relating to the Company. Accordingly, the reader is cautioned that this First Report may not be appropriate for any other purpose. The Monitor assumes no responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this First Report contrary to the provisions of this paragraph.

23. Capitalized terms not defined in this First Report have the meaning ascribed to them in the Plan or any other Order referenced in the Proposed Monitor's Report and this First Report.

24. All references to dollars are in Canadian Currency unless otherwise noted.

CONDENSED BACKGROUND INFORMATION

25. A thorough discussion on the background pertaining to EncoreFX is provided in paragraphs 26 to 53 of the Proposed Monitor's Report; and accordingly, the discussion below is provided on a summary basis only.

26. EncoreFX is a Federal Corporation incorporated under the *Canada Business Corporations Act*, RSC 1985, c C-44. EncoreFX Ltd., EncoreFX (Australia) Pty Ltd., and EncoreFX (NZ) Limited are wholly owned foreign subsidiaries of EncoreFX. EYI, in its capacity as the Trustee of EncoreFX in the BIA Proceedings, attached a copy of a corporate organization chart provided by EncoreFX management in its First Report, which was filed within the BIA Proceedings.

27. EncoreFX was incorporated on September 15, 2014. EncoreFX's head office was located in Victoria, British Columbia and with numerous branch offices across Canada. EncoreFX employed a workforce of approximately 150 personnel as at the Bankruptcy Date.

28. EncoreFX also established subsidiaries in Australia and New Zealand due to those countries having similar economic conditions to Canada and it carried on significant operations in those countries. EncoreFX, via its subsidiaries, carried on significant operations in those countries.

29. EncoreFX was in the business of providing foreign exchange ("**FX**") risk management and cross-border payment services predominantly to small and mid-size enterprise clients that import or export products from/to foreign markets and base their pricing on foreign currencies. The Company sold the following FX risk management services to its clients to

mitigate their exposure to fluctuating FX rates: FX spot transactions and FX derivative contracts (including forward contracts and options) (the "**EncoreFX Derivatives**"). It should be noted that to the best of the knowledge of EncoreFX, EncoreFX's primary client base entered into foreign exchange contracts with EncoreFX to manage the foreign exchange exposures in their business and not for speculation on the movement of FX rates.

30. The EncoreFX Derivatives are referred to as "over-the-counter" derivatives, because they are not traded on a market or securities exchange, but rather negotiated with each counterparty (EncoreFX and its client) at the time they are consummated.

31. The 'market value' of all of the EncoreFX Derivatives products sold to clients fluctuates every second of every day once entered into due to movements in underlying FX rates; and at any given time, the market value is out-the-money ("**OTM**"), in-the-money ("**ITM**") or at-the-money ("**ATM**"). In simplistic terms:

   a) an OTM position means that the FX rate and other factors moved against the client and if the contract were to be liquidated, the client would owe EncoreFX an amount equal to the dollar value of the OTM position;

   b) an ITM position means that the FX rate and other factors moved in favour of the client and if the contract were to be liquidated, EncoreFX would owe the client an amount equal to the dollar value of the ITM position; and

   c) an ATM position means there was little to no change in FX rates and neither party owes the other.

32. Beginning in March 2020, global FX markets began to observe atypical levels of volatility mainly driven by the impact that COVID-19 was having on the global economy. In particular, the US Dollar (USD) strengthened in a significant way against some of the world's most traded currencies, including against the Canadian, Australian and New Zealand dollars in which the majority of the EncoreFX Derivatives were booked.

33. Due to this extreme market volatility, a number of EncoreFX's clients (and its subsidiaries' clients) were OTM on their transactions; and as a consequence, EncoreFX was left OTM with its Liquidity Providers. Under the terms of its ISDA Agreements, EncoreFX was required to pay significant additional margin to its Liquidity Providers to cover the value of OTM contracts.

34. Many of EncoreFX's clients had exceeded the OTM thresholds outlined in their Credit Facility Agreements and were subject to margin calls (the "**OTM Clients**"). The Trustee was advised that EncoreFX attempted to work with many of the OTM Clients to address margin calls owing however many clients' businesses had been negatively impacted by COVID-19 and they were unable to honour the terms of their Credit Facility Agreements.

35. As the Monitor notes above, on March 30, 2020, EncoreFX filed an assignment in bankruptcy. EYI was appointed as the Trustee of EncoreFX.

36. Also, on March 30, 2020, the Australian and New Zealand subsidiaries were also placed into Voluntary Administration (formal insolvency proceedings in those countries). EYI is acting as the Administrator in insolvency proceedings of the Australia and New Zealand entities.

CONSENSED SUMMARY OF THE PLAN

37. As the Monitor notes above, various Claims including a Secured Claim and a number of Appealed Property Claims had been asserted against EncoreFX which are potentially subject to extensive and uncertain litigation in the BIA Proceedings. A description of these Claims is provided in the Proposed Monitor's Report.

38. The Plan sought 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 aimed 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.

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

40. For voting and distribution purposes, the Plan had three (3) classes ("**Classes**" or "**Affected Creditor Classes**") of creditors (collectively, the "**Affected Creditors**"):

Class	Initial Proposed Settlement
General Unsecured Creditors	• Each General Unsecured Creditor with a Proven Claim, the amount of which is equal to or less than $5,000, shall receive a cash distribution in an amount equal to 100% of their Proven Claim ("**Convenience Creditors**"). • Each General Unsecured Creditor with a Proven Claim, the amount of which is greater than $5,000 but below $31,250, shall receive a cash distribution of: a) an amount equal to $5,000 if it has filed a Convenience Creditor Form with the Monitor before the Claims Bar Date; or b) a Percentage Distribution in an amount equal to 16% of their Proven Claim. 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 **outstanding** Property Claims that properly filed in the BIA and are currently under appeal by the Claimant. A list of the Property Claims is posted to the Website. **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.**

41. Should any funds be available following the payments summarized in the table above, any “**Remaining Funds**” realized by the Monitor in completing the administration of the within proceedings shall be distributed as follows:

a) first, to the Secured Creditor in an amount of $4,944,475; and

b) second, proportionately to the Secured Creditor and the Property Claimants.

MONITOR’S COMPLIANCE WITH STATUTORY OBLIGATIONS

42. Within five days of the date of the Initial Order, the Monitor completed the following notice and service requirements:

a) published in the Vancouver Sun, the Globe & Mail (National Edition) and the Victoria Times Colonist on April 8, 2021 and April 15, 2021, a notice containing the prescribed information under the CCAA and pursuant to both the Claims Process Order and the Creditor’s Meeting Order (the “**CCAA Newspaper Notices**”);

b) made the Initial Order publicly available by posting a copy on the Monitor’s Website;

c) sent, by mail, notice to every known creditor advising them of the conversion from BIA Proceedings to CCAA Proceedings and that the Initial Order is publicly available on the Monitor’s website (the “**CCAA Creditor Mailing Notice**”); and

d) prepared a list of creditors including the names, addresses, and estimated amounts owed and made the list publicly available on the Monitor’s Website.

43. Copies of the CCAA Newspaper Notices are attached as **Appendix "A"** to this First Report. A copy of the CCAA Creditor Mailing Notice is attached as **Appendix "B"** to this First Report.

ADVERTISEMENT OF THE CLAIMS PROCESS AND CREDITOR'S MEETING

44. Concurrent with the CCAA Newspaper Notices, the Monitor, as required by the Claims Process Order and Meeting Order, published the Notice of Claims Process and the Notice of the Meeting of Creditors in the Vancouver Sun, the Globe & Mail (National Edition) and the Victoria Times Colonist on April 15, 2021.

45. On April 9, 2021, the Monitor posted copies of the Claims Process Order, the Claims Process Materials, the Creditor's Meeting Order, the Creditor's Meeting Materials and the Plan on the Website.

MAILING OF THE CCAA CLAIMS PROCESS AND MEETING MATERIALS

46. On April 13, 2021 the Monitor (by ordinary pre-paid mail) mailed to the last known address of each creditor either listed in the Petitioner's books and records or who previously had filed a proof of claim in the BIA Proceedings, the information required pursuant to the Claims Process Order and the Creditor's Meeting Order, which included the following:

a) the Claims Package (as defined in the Claims Process Order);
b) the Notice of Meeting to Affected Creditors;
c) a Proxy and Voting Letter; and
d) the Plan Information Letter (collectively, the "**CCAA Mailout Materials**").

47. A copy of the Affidavit of Mailing of the CCAA Mailout Materials is attached as **Appendix "C"** to this First Report.

AMENDMENT TO THE PLAN

48. As the Monitor notes above, on April 27, 2021, the Monitor as authorized by the Creditor's Meeting Order obtained the consent of GCC and Wrede to amend the Plan to clarify that that Convenience Creditors (i.e. creditors with Claims less than $5,000 that would be paid in full) were deemed to vote in favour of the Plan (the "**Amendment**") and not required to complete a proxy or attend the Creditor's Meeting. A copy of the Amended Plan is attached hereto as **Appendix "D"**.

49. On or about April 27, 2021 MLT Aikins distributed a copy of the Amended Plan to parties who had requested notice of service in the within CCAA Proceedings; and a copy of the Amended Plan was filed with this Honourable Court on April 27, 2021.

50. The Monitor also provided written notice to all Convenience Creditors of the Amended Plan (by email or mail) and posted a copy of this written notice to the Website (a copy of which is attached hereto as **Appendix "E"**).

51. The Monitor tabled and discussed the Plan in detail at the Creditor's Meeting and prior to convening a vote on the Plan.

CLAIMS ESTABLISHED AGAINST THE COMPANY

Overview of Claims Process

52. As is described above, the Claims Process Order established a procedure to determine the Claims of Creditors and establish Claims Bar Dates by which creditors must file a Proof of Claim in these CCAA Proceedings.

53. In accordance with the Claims Process Order, the Monitor, *inter alia*:

    a) notified known creditors of the amounts owed to them as of the CCAA filing date (as reflected in the books and records of the Petitioner) and the characterization of such amounts (the "**Claim Amount Notice**"); and

b) provided an opportunity for creditors that did not agree with the amount or characterization of the indebtedness or for which no amount of the claim is stated to file a Proof of Claim by no later than 4:00PM PDT on Wednesday, May 5, 2021 (the "**Claims Bar Date**").

54. In the Proposed Monitor's Report, the Monitor advised this Honourable Court that in preparing for the CCAA Proceedings, the Monitor undertook significant efforts to verify the financial records of EncoreFX and that the Monitor was satisfied that EncoreFX's books and records were materially accurate.

55. A summary of the Claims received by the Monitor in accordance with the Claims Process Order is provided below.

56. A summary of the Claims allowed by the Monitor is provided in the table below:

	In Number		**In Value (in $CAD)**	
	Admitted	**Disputed**	**Admitted**	**Disputed**
Secured Creditor Claims	1	-	$35,887,159	-
Property Claimant Claims	14	-	$31,327,646	-
General Unsecured Creditor Claims	398	3	$28,241,761	$18,443,915

57. Currently, (3) three General Unsecured Creditor Claims remain in dispute (the "**Disputed Claims**"). The "**Disputed Claimants**" are listed below:

No.	**Creditor Name**	**Claimed Amount**
1.	EncoreFX (Australia) Pty Ltd.	$17,076,627
2.	Traveland Leisure Vehicles Ltd.	$499,800
3.	AgraCity Crop and Nutrition Ltd.	$867,487
Total Disputed Claims as Filed		**$18,443,915**

58. The Proofs of Claim, the Notices of Disallowance prepared by the Monitor and the Notice of Dispute filed by the Disputed Claimants are attached hereto as **Appendix "F"**.

59. In the event that the Disputed Claims are not resolved by the date of the Initial Distribution, the Plan requires the Monitor to hold-back a reserve (the "**Disputed Claims Reserve**") (further discussed below) until the Disputed Claims are settled or resolved.

MEETING OF CREDITORS

Conduct of the Meeting

60. Pursuant to the Creditor's Meeting Order, the Monitor was authorized on behalf of EncoreFX to convene, hold, and conduct the Creditor's Meeting on Tuesday, May 11, 2021 at 3:00PM PDT (the "**Meeting Date**") to consider and to vote on the Plan.

61. Due to COVID-19 pandemic and to promote and maintain safe social distancing, the Creditor's Meeting was held by video-conferencing technology (Microsoft Teams) and in accordance with the electronic meeting protocol (the "**Protocol**").

62. The Creditor's Meeting was called to order at 3:03 pm PDT on the Meeting Date.

63. Mr. Michael Bell, Senior Vice President of EYI, acted as the chairperson (the "**Chair**") of the Meeting. Mr. Jason Eckford of EYI acted as secretary and scrutineer at the Meeting. A total of 24 of Affected Creditors (or their representatives) attended the Creditor's Meeting in person or by proxy (excluding the proxies held by the Monitor). The Monitor's legal counsel, MLT Aikins, was also present and available to respond to any questions, if and as they arose.

64. As more than one Affected Creditor was in attendance at the Creditor's Meeting, in person or by proxy, quorum as set out in the Creditor's Meeting Order was established and the Creditor's Meeting was properly constituted to consider and to vote on the Plan.

65. The Chair advised the Affected Creditors in attendance that the purpose of the Creditor's Meeting was, *inter alia*, to:

a) consider the background to these CCAA Proceedings;

b) consider the purpose and terms of the Plan;

c) consider the Monitor's recommendations pertaining to the Plan;

d) vote on the Plan;

e) report on the results of the vote on the Plan; and

f) outline the procedural next steps based on the results of the vote on the Plan.

Voting Results

66. The voting results on the Plan by Class is summarized below:

General Unsecured Creditors

	General Unsecured Creditors			
	By Number		By Value	
Votes Cast	**Amount**	**%**	**Amount**	**%**
Approval:				
Convenience Creditors [1]	137	40%	$313,245	1%
Convenience Creditor Electors[2]	122	36%	$1,784,321	7%
General Unsecured Creditors [3]	78	23%	$23,055,162	92%
Total in Favour	337	99%	$25,152,728	100%
Against	1	1%	$19,818	0%
Total	**338**	**100%**	**$25,172,546**	**100%**

Notes:

1. The Amendment to the Plan provided that the Affected Creditors with general unsecured claims equal to or less than $5,000 CAD (the "**Convenience Creditors**") were deemed to vote in favour of the Plan.
2. Affected Creditors with general unsecured claims greater than $5,000 but less than $31,250 who filed a completed Convenience Creditor Form and elected the fixed distribution amount of $5,000 (qualifying as a Convenience Creditor) were deemed to have voted in favour of the Plan. Note: The creditors who did not vote or who did not file a Creditor Convenience Form electing the fixed distribution amount of $5,000 will receive a distribution of 16% of their Proven Claim.
3. Creditors with general unsecured claims greater than $31,250 who voted either in person or by Proxy at the Meeting.

67. The Monitor notes that no creditor with a Disputed Claim voted on the Plan. As such, the results of the vote of the General Unsecured Creditor Class on the resolution to approve the Plan, remains the same and is not impacted when the Disputed Claims are considered.

Property Claimants

68. The results of the vote of the Property Claimants on the resolution to approve the Plan was as follows:

	Property Claimants			
	By Number		By Value	
Votes Cast	**Amount**	**%**	**Amount**	**%**
In Favour [1]	12	100%	$31,311,534	100%
Total in Favour	12	100%	$31,311,534	100%
Against	0	0%	$0	0%
Total	**12**	**100%**	**$31,311,534**	**100%**
1. Consists of Property Claimants who voted in person or by Proxy at the Meeting.				

Secured Creditor

69. The results of the vote of the Secured Creditor on the resolution to approve the Plan was as follows:

	Secured Creditor			
	By Number		By Value	
Votes Cast	**Amount**	**%**	**Amount**	**%**
In Favour [1]	1	100%	$35,887,159	100%
Total in Favour	1	100%	$35,887,159	100%
Against	0	0%	$0	0%
Total	**1**	**100%**	**$35,887,159**	**100%**
1. Consists of the Secured Creditor who voted by Proxy at the Meeting.				

Monitor's Comments

70. Pursuant to the foregoing, the requisite majorities as stipulated in the CCAA were achieved by each Affected Creditor Class (General Unsecured Creditors, Property Claimants and the Secured Creditor).

a) The number of affirmative votes exceeded fifty percent (50%) of the Votes Cast:

   i. General Unsecured Creditors – 99%

   ii. Property Claimants – 100%

   iii. Secured Creditor – 100%

b) The value of the Proven Voting Claims attributable to affirmative votes equals or exceeds sixty-six and two-thirds percent (66 2/3%) of the value of the Proven Voting Claims attributable to the votes cast:

   i. General Creditor Class – 100%[2]

   ii. Property Claimants – 100%

   iii. Secured Creditor – 100%

71. Based on the foregoing, the Chair declared that the Plan obtained the requisite approval of Affected Creditors to approve the Plan, and as such a condition precedent for the implementation of the Plan has been satisfied.

Reporting on the Meeting

72. Pursuant to the terms of the Creditor's Meeting Order, the Monitor posted a post-creditor meeting report to the Website on May 12, 2021, a copy of which is attached hereto as **Appendix "G"**.

CONSIDERATIONS PRIOR TO SANCTIONING OF THE PLAN

73. The CCAA provides certain statutory requirements must be considered by the Court prior to the sanctioning of any plan of compromise and arrangement. These statutory compliance considerations (and the Monitor's comments on the applicability of each in these CCAA proceedings) include the following:

[2] Rounded to 100% from 99.9%.

a) achieving a requisite vote of the creditors on a plan of compromise and arrangement representing a majority of the creditors and two thirds in value of the creditors present and voting either personally or by proxy at the meeting of creditors:

   i. **<u>Monitor's Comment</u>**: The Monitor advises this Honourable Court, that as outlined above, the requisite majority of Affected Creditors for each Affected Creditor class was achieved.

a) the plan of compromise or arrangement provides for payment in full to the Crown or province within six months of sanctioning of the compromise or arrangement of all amounts that were outstanding at the date of the making of the Initial Order (in this case, the Bankruptcy Date) and are of a kind that could be subject to: (1) demand under s. 224(1.2) of the *Income Tax Act* (Canada) (the "**ITA**"); (2) any provision in the *Canada Pension Plan* (the "**CPP**") or *Employment Insurance Act* (the "**EIA**") that refers to ITA s. 224(1.2) and provides for collection of a contribution under the CPP, an employee's premium or employer's premium under the EIA and related interest and penalties; and (3) any provision in provincial legislation that has a similar purpose to ITA s. 224(1.2) and provided for collection of a sum (including related interest and penalties) and such amount has been withheld or deducted from a payment to a person and is of a nature similar to the income tax imposed under the ITA and/or is in the same nature of a contribution under the CPP (with conditions):

   i. **<u>Monitor's Comment</u>**: The Monitor advises this Honourable Court that Article 4.7 of the Plan provides for payment of the Crown Claims within six months of the sanctioning of the Plan.

b) if the Initial Order has the effect of staying the Crown, then at the time the Court hears the application for sanction of the plan of compromise and arrangement, the debtor shall not be in default of any remittance that became due to the Crown after the making of the Initial Order:

   i. **<u>Monitor's Comment</u>**: The Monitor advises this Honourable Court that the Petitioner is not in default of any remittance in favour of the Crown in respect of the period commencing after both the Bankruptcy Date and, the making of the Initial Order, to and inclusive of the date of this First Report.

c) the plan of compromise and arrangement provides for, and the Court is satisfied that the debtor can make payment to employees and former employees of the debtor immediately after sanctioning of: (1) amounts at least equal to the amounts they would have been qualified to receive under s. 136 of the BIA if the debtor had become bankrupt on the day on which the proceeding commenced; and (2) wages and other compensation earned during the tenure of the CCAA Proceedings:

   i. **<u>Monitor's Comment</u>**: The Monitor advises this Honourable Court that all amounts in respect of wages and/or other amounts that would be deemed payable pursuant to the above outlined provisions will be paid on the Plan Implementation Date.

d) The plan of compromise and arrangement provides for, and the Court is satisfied that the debtor can make (with exceptions) payment in respect of pension plans of all amounts deducted from the employees remuneration and: (i) an amount equal to the normal cost payments that were required to be paid by the employer (in the case of a defined benefit pension plan); or (ii) the sum of all amounts that were to be contributed by an employer (in the case of a defined contribution plan):

i. **<u>Monitor's Comment</u>**: The Monitor advises this Honourable Court that the Petitioner did not administer a pension plan and accordingly this statutory requirement is not considered relevant.

e) the plan of compromise and arrangement shall not provide for payment of an equity claim until all claims that are non-equity are paid in full:

i. **<u>Monitor's Comment</u>**: The Monitor advises this Honourable Court that Section 4.10 of the Plan does not provide for payment of equity claims.

74. Generally, the Monitor is not aware of any fact that would indicate that the Petitioner is not acting in good faith in respect of the Plan.

CONDITIONS TO IMPLEMENTING THE PLAN

75. Pursuant to Article 9 of the Plan, the major conditions for implementation of the Plan and the anticipated satisfaction date for such conditions include (capitalized terms not defined herein are as defined in the Plan) the following:

	Event	Anticipated Date
1.	Plan approved by the Required Majority of Creditors in each of the three (3) Affected Creditor Classes.	Satisfied
2.	Sanction Order granted by this Honourable 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.	Hearing to approve Sanction Order on May 21, 2021
3.	Satisfaction of Conditions Precedent as defined in the Plan including expiration of the Appeal Period	Week of June 21, 2021
4.	Estate funds available for distribution on the Plan Implementation Date shall be sufficient to pay at least $30,000,000 on account of the Secured Claim Distribution and the Property Claim Distributions.	Week of June 21, 2021 (further discussed below)
5.	Plan Implementation Date (Monitor to file its certificate upon satisfaction of Conditions Precedent)	Week of June 21, 2021
6.	Subsequent Distributions (Timing of payment of any Subsequent Distributions depends on timing and outcome of future recoveries).	TBD

76. As is noted above, the major outstanding condition to implementing the Plan is that $30 million CAD (the "**Minimum Estate Funds**") is available for distribution to the Secured Creditor and Property Claimants after:

a) payment of the distribution to the General Unsecured Creditors;

b) payment of the Priority Payables;

c) an "**Administration Reserve**" of $4 million is deposited into a separate account to fund the Monitor to administer the balance of the administration including incremental recovery efforts;

d) the Disputed Claim Reserve is maintained, which the Monitor estimates as follows:

Creditor Name	Estimated Proven Claim Amount
EncoreFX (Australia) Pty Ltd.	$17,076,627
Traveland Leisure Vehicles Ltd.	$499,800
AgraCity Crop and Nutrition Ltd. (Note 1)	$282,689
Total Estimated Claim Amount	**17,859,116**
Distribution %	x16%
Total Estimated Disputed Claim Reserve	**$2,857,459**
Note 1 – Agracity adjusted to $282,689 to reflect net ITM Position owing assuming the Double Dip Payments are to be deducted from their revised ITM Position.	

e) any reserve for any amount ordered by this Honourable 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**").

77. The Monitor is not aware of any factors that require an Additional Reserve.

78. Based on the foregoing, the Monitor estimates Minimum Estate Funds will be in excess of $30 million at the date of the Initial Distribution as depicted in the table below:

In the CCAA Proceedings of EncoreFX Inc. Estimated Funds Available to Property Claimants and Secured Creditor	
	$ CAD
Cash on Hand, as at May 10, 2021	42,767,119
OTM Collections - Approved settlements to be received	221,557
Total Estimated Cash Receipts	42,988,676
Administration Reserve	(4,000,000)
Disputed Claim Reserve	(2,857,459)
Additional Reserve	-
Estimated Total Funds Available for Initial Distributions	36,131,217
Estimated Distribution to General Unsecured Creditors, Inclusive of Priority Payables	(5,110,185)
Estimated Funds Available to Property Claimants and Secured Creditor	**31,021,032**
Minimum Estate Funds per Amended Plan section 9.2 (a)(vii)	**30,000,000**
Total Estimated Excess Cash / (Shortfall)	**1,021,032**

FAIRNESS OF THE PLAN

79. The Monitor is of the view that the Plan is fair and reasonable based on the following factors:

a) the Affected Creditors overwhelmingly supported the Plan;

b) the Inspectors in the BIA Proceedings prior to the Initial Order approved the Term Sheet which formed the basis of the Plan;

c) the Plan provides a global resolution to all outstanding matters and enhancing the funds available for distribution by avoiding depletion of funds from litigation in the BIA Proceedings; and

d) the Plan guarantees and provides a superior return to the General Unsecured Creditors, which is otherwise uncertain in the BIA Proceedings.

OVERSIGHT COMMITTEE

80. Upon the granting of the Initial Order, the Inspectors were deemed to have resigned. Should this Honourable Court approve the sanctioning of the Plan, each of GCC and Wrede shall nominate one person who, together with the Monitor, will form an oversight committee (the "**Oversight Committee**").

81. The purpose of the Oversight Committee shall be, *inter alia*, to review and approve settlements in respect of the Estate Claims (as defined in the Plan), Claims regarding EFT Reversals, Property Claims, and generally deal with the continued realization of the assets of EncoreFX.

82. 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.

83. The Monitor is of the view that the creation and composition of the Oversight Committee is appropriate as GCC and Mr. Wrede represent the overwhelming majority of the value of the GCC Secured Claim and Property Claims. Accordingly, GCC and Mr. Wrede should be entitled to oversee the administration of the Estate within the CCAA Proceedings going forward.

MONITOR’S RECOMMENDATIONS

84. The Monitor recommends sanctioning the Plan on the basis that:

    a) The Plan was approved by the requisite majority of each Affected Creditor Class in accordance with the provisions of the CCAA;

    b) The Petitioner has maintained compliance with the statutory provisions of the CCAA that would permit this Honourable Court to sanction the Plan;

    c) The Plan achieves a return to the General Creditor Class that is superior to that achievable in the BIA Proceedings; and

d) The conditions precedent to the sanctioning of the Plan by this Honourable Court will be satisfied.

85. Based on the foregoing, the Monitor recommends that this Honourable Court grant the following orders:

a) an order approving and sanctioning the Plan; and

b) an order approving the Proposed Monitor's Report, this First Report, and the activities of the Monitor as set out therein.

All of which is respectfully submitted this 18th day of May, 2021.

ERNST & YOUNG INC.
In its capacity as the Monitor of
EncoreFX Inc. and not in its personal capacity

Per:

Mike Bell, CPA, CA, CIRP, LIT
Senior Vice President

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

Appendix A

Global banks key for booming Canadian M&A deals

JAREN KERR
MERGERS AND ACQUISITIONS REPORTER

Global investment banks played a major role in Canada's biggest merger and acquisition deals in the first quarter this year as two megadeals helped push total deal volumes to their highest level in almost five years.

The total value of takeover deals announced in the quarter hit US$114.9-billion, the most since the third quarter of 2016. That figure is up 44.3 per cent from the fourth quarter of 2020, and stands tall over the US$29.3-billion of deals done in the first quarter of 2020, when the COVID-19 pandemic took hold in North America and shut down much of the economy and the capital markets.

Deal data compiled by Refinitiv show that six of the top 10 takeover advisers – ranked by the value of the deals they advised on – were global brokers, with BofA Securities leading the quarter.

Domestic dealers BMO Capital Markets and TD Securities placed second and third, respectively, with British-based Barclays and Morgan Stanley rounding out the top five.

In the world of initial public offerings, CIBC World Markets led the quarter with US$348.7-million raised, followed by four global investment banks: JPMorgan, Barclays, Morgan Stanley and BofA Securities.

"Particularly when there are a few very large transactions in a period you see U.S. [and] global banks pop into the league tables perhaps more prominently than they do regularly," said Adam Givertz, a partner and head of the Canadian practice group at Paul, Weiss, Rifkind, Wharton & Garrison LLP.

That trend played out this quarter, with Bank of America advising on the quarter's two largest acquisitions: Canadian Pacific Railway Ltd.'s US$28.7-billion offer for Kansas City Southern, and Rogers Communications Inc.'s $26-billion bid for Shaw Communications Inc. Those two transactions made up 45 per cent of the total value of deals announced in the quarter.

Jeff Hamilton, BofA's head of Canadian investment banking, said the company has benefited from its ability to offer global and regional expertise to Canadian clients. "This unique combination is an important differentiator, particularly on larger, more complex transactions and cross-border situations," he said.

Dan Barclay, chief executive officer of BMO Capital Markets, said his firm and many other investment banks don't limit their businesses by borders nowadays.

"When we think about ourselves, we think of ourselves as North American now, not Canadian," Mr. Barclay said. "I actually have more bankers in the U.S. than in Canada, more revenues now in the U.S. than I have in Canada."

The same goes for other Canadian investment banks, according to Mr. Givertz.

"[Some Canadian firms] get more of their investment banking revenue from the U.S. than they do from Canada," he said. "You see them competing in those markets in ways that they didn't 10 years ago."

Special purpose acquisition companies, or SPACs, have not taken off in the Canadian market the way they have in the U.S. in the past year, but Sustainable Opportunities Acquisition Corp.'s acquisition of DeepGreen Metals for 2.9-billion was the sixth-largest deal in the first quarter. Mr. Givertz expects more Canadian SPAC transactions in the near future.

"We have a number of potential SPAC transactions for Canadian companies that we're working on, so there's a lot of activity coming there," he said.

Investment bankers expect the current level of deal flow to be sustained for the rest of the year.

"We expect the current momentum in M&A activity to continue through 2021," said Marc Daniels, head of Canadian M&A at BofA. "Corporates are seeking to enhance growth, scale and efficiency coming out of the pandemic, while overall activity is further supported by strong equity markets, ongoing fiscal stimulus and record amounts of capital available to corporates, private equity and SPACs."

Mr. Barclay expects "a banner couple of years" ahead for takeover activity, in part because of deals that were hard to execute during a pandemic. Mining deals, for example, require physical due diligence, and many bankers are currently eschewing air travel.

"For those of us in Canada, we have trouble thinking about what the future will feel like," Mr. Barclay said. "In my U.S. operations, it's completely different. In New York City, if you're over 30, you can get a vaccine."

TOP BANKS FOR M&A

Rank	Bank	Ranking value* (U.S. billions)	No. of deals
1	BofA Securities	$50.5	2
2	BMO Capital Markets	43.5	8
3	TD Securities	38.3	11
4	Barclays	35.8	9
5	Morgan Stanley	34.3	7

TOP M&A DEALS

Rank	Target	Ranking value* (U.S. billions)
1	Kansas City Southern	$28.7
2	Shaw Communications	21.8
3	Inter Pipeline	9.9
4	Brookfield Property Part.	6.5
5	Seven Generations Energy	3.7

TOP M&A HISTORICAL

Rank	Quarter	Ranking value* (U.S. billions)	No. of deals
1	1st quarter 2021	$114.9	1,097
2	3rd quarter 2016	100.0	609
3	2nd quarter 2015	82.2	658
4	1st quarter 2017	82.2	1,017
5	4th quarter 2020	79.6	1,098

TOP BANKS FOR IPOs

Rank	Bank	Ranking value (millions)	No. of issues
1	CIBC World Markets	$348.7	3
2	JP Morgan	308.6	2
3	Barclays	271.9	1
4	Morgan Stanley	271.9	1
5	BofA Securities	271.9	1

*Including debt of target

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MEETING NOTICES

canada life

Notice of Annual Meeting of Shareholders and Policyholders of The Canada Life Assurance Company

Canada Life's annual meeting will be held online by live webcast on Thursday, May 6, 2021 at 11:00 am (Eastern time). Canada Life encourages shareholders and policyholders to provide voting instructions in advance through one of the methods described in our Management Proxy Circular.

Shareholders and Policyholders may receive the Notice of Meeting and related proxy materials upon written request to 100 Osborne Street N., Winnipeg, Manitoba, R3C 1V3 Attention: Corporate Secretary or by calling 1-888-873-8813.

NATIONAL BANK

NATIONAL BANK OF CANADA

Notice of Annual Meeting of the Holders of Common Shares

The Annual Meeting of the Holders of Common Shares of National Bank of Canada will be held at 10:00 a.m. (EDT) on Friday, April 23, 2021, in virtual format only which will be conducted via webcast.

By order of the Board of Directors,

Dominic Paradis
Senior Vice-President, Legal Affairs and Corporate Secretary

Montreal, February 24th, 2021

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS AND PARTICIPATING POLICYHOLDERS

When: Thursday, April 29, 2021 at 4:00 p.m. (Eastern Time)

Where: Virtual only meeting via live audio webcast at https://web.lumiagm.com/412114035

Password: "empirelife2021" (case sensitive)

Notice is hereby given that the Annual Meeting of the shareholders and participating policyholders of **The Empire Life Insurance Company (Company)** will be conducted via live audio webcast in order to comply with legal requirements and social distancing best practices in light of the COVID-19 pandemic.

This meeting is to be held for the following purposes:

1. To receive and consider the consolidated financial statements of the Company for the year ended December 31, 2020 together with the report of the auditor thereon;
2. To elect Shareholders' Directors and Policyholders' Directors;
3. To reappoint PricewaterhouseCoopers LLP as auditors and to authorize the directors to fix the auditor's remuneration; and
4. To transact such further or other business as may properly come before the meeting (or any postponement or adjournment thereof).

DATED at Kingston this 9th day of March, 2021
By Order of the Board of Directors
Heather L. Christie, Corporate Secretary

Participating Policyholders may receive a copy of the management information circular by submitting a request to the Secretary at The Empire Life Insurance Company, 259 King Street East, Kingston, ON K7L 3A8 or by email at secretary@empire.ca.

BUSINESS TO BUSINESS

AIRCRAFT

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COMMERCIAL REAL ESTATE

LEGALS

NOTICE TO CREDITORS IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF ENCOREFX INC. ("EncoreFX")

Court File No. S-212302

Take notice that on March 30, 2021 the Supreme Court of British Columbia granted a conversion order which commenced proceedings under the Companies' Creditors Arrangement Act ("CCAA") for EncoreFX. Ernst & Young Inc. was appointed as Monitor in the CCAA proceedings.

Ernst & Young Inc.
Monitor of EncoreFX
Pacific Centre
P.O. Box 10101,
700 West Georgia Street
Vancouver, BC V7Y 1C7

Contact: Jason Eckford
Telephone: (604) 648-3671
Facsimile: (604) 899-3530
www.ey.com/ca/EncoreFX

EY

BUSINESS CLASSIFIED

TO PLACE AN AD CALL: 1-866-999-9237 EMAIL: ADVERTISING@GLOBEANDMAIL.COM

LEGALS

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

RE: NOTICE OF CLAIMS PROCEDURE AND MEETING OF CREDITORS 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 (the "Court") dated April 8, 2021 (the "**Claims Process Order**") establishing a procedure for determining the amount of Claims (as defined in the Claims Process Order) against EncoreFX. The Court has ordered that Ernst & Young Inc, (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 from the Monitor should contact Jason Eckford, Ernst & Young Inc., the Court-appointed Monitor of EncoreFX (Telephone: 604.648.3671, Facsimile: 604.899.3530, e-mail: jason.eckford@parthenon.ey.com) to obtain a Proof of Claim package.

PLEASE TAKE NOTICE that the Court granted an order dated April 8, 2021 (the "**Meeting 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 the Monitor.

Further details regarding the Meeting of Creditors, including copies of the orders, the Claims Package, 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 9th day of April, 2021

EY

NOTICE TO CREDITORS IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF ENCOREFX INC. ("EncoreFX")
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Ernst & Young Inc.
Monitor of EncoreFX
Pacific Centre
P.O. Box 10101,
700 West Georgia Street
Vancouver, BC V7Y 1C7

Contact: Jason Eckford
Telephone: (604) 648-3671
Facsimile: (604) 899-3530
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COMMERCIAL REAL ESTATE

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alex.holiff@cushwake.com

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*Sales Representative   Cushman & Wakefield ULC, Brokerage

COMMERCIAL REAL ESTATE

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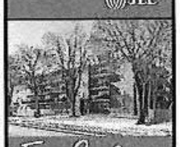

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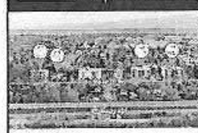

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MEETING NOTICES

NATIONAL BANK

NATIONAL BANK OF CANADA

Notice of Annual Meeting of the Holders of Common Shares

The Annual Meeting of the Holders of Common Shares of National Bank of Canada will be held at 10:00 a.m. (EDT) on Friday, April 23, 2021, in virtual format only which will be conducted via webcast.

By order of the Board of Directors,

Dominic Paradis
Senior Vice-President, Legal Affairs and Corporate Secretary

Montreal, February 24th, 2021

MEETING NOTICES

canada life

Notice of Annual Meeting of Shareholders and Policyholders of The Canada Life Assurance Company

Canada Life's annual meeting will be held online by live webcast on Thursday, May 6, 2021 at 11:00 am (Eastern time). Canada Life encourages shareholders and policyholders to provide voting instructions in advance through one of the methods described in our Management Proxy Circular.

Shareholders and Policyholders may receive the Notice of Meeting and related proxy materials upon written request to 100 Osborne Street N., Winnipeg, Manitoba, R3C 1V3 Attention: Corporate Secretary or by calling 1-888-873-8813.

MEETING NOTICES

NOTICE OF ANNUAL MEETING OF MANULIFE FINANCIAL CORPORATION AND THE MANUFACTURERS LIFE INSURANCE COMPANY

The Annual Meeting of Common Shareholders of Manulife Financial Corporation and the Annual Meeting of Policyholders and the Shareholder of The Manufacturers Life Insurance Company (together the "Meeting") will be held virtually on Thursday, May 6, 2021 at 11:00 a.m. Eastern time.

Shareholders and policyholders are invited to view the live broadcast at the following website: https://web.lumiagm.com/463975638. Shareholders, policyholders and their duly appointed proxyholders will be able to ask questions and vote during the Meeting by following the instructions set out in the management information circular dated March 10, 2021 (available at manulife.com).

Shareholders and policyholders are encouraged to vote and submit proxies prior to the Meeting. For more information on the Meeting, including how to vote in advance, please visit manulife.com.

Policyholders of The Manufacturers Life Insurance Company who would like information on how to receive notice of future meetings may write to the Corporate Secretary, The Manufacturers Life Insurance Company, 200 Bloor Street East, Toronto, Ontario, Canada, M4W 1E5.

April 15, 2021
Toronto

By Order of the Board of Directors
Antonella Deo
Corporate Secretary

Manulife

DIVIDENDS

Dividends

Computershare

Notice is hereby given that the following dividends have been declared.

Issuer	Issue Date	Record Date	Payable	Rate
ADF Group Inc.	Multiple Voting & Subordinate Voting	April 30, 2021	May 17, 2021	$0.01
Bombardier Inc.	Pref. Series 2	April 30, 2021	May 15, 2021	Floating
Keyera Corp.	Common	April 22, 2021	May 17, 2021	$0.16
Pembina Pipeline Corporation	Common	April 23, 2021	May 14, 2021	$0.21
Pembina Pipeline Corporation	Pref. Series 1	May 3, 2021	June 1, 2021	$0.306625
Pembina Pipeline Corporation	Pref. Series 3	May 3, 2021	June 1, 2021	$0.279875
Pembina Pipeline Corporation	Pref. Series 5	May 3, 2021	June 1, 2021	$0.285813
Pembina Pipeline Corporation	Pref. Series 7	May 3, 2021	June 1, 2021	$0.273750
Pembina Pipeline Corporation	Pref. Series 9	May 3, 2021	June 1, 2021	$0.268875
Pembina Pipeline Corporation	Pref. Series 13	May 3, 2021	June 1, 2021	$0.359375
Pembina Pipeline Corporation	Pref. Series 15	June 15, 2021	June 30, 2021	$0.279000
Pembina Pipeline Corporation	Pref. Series 17	June 15, 2021	June 30, 2021	$0.301313
Pembina Pipeline Corporation	Pref. Series 19	June 15, 2021	June 30, 2021	$0.292750
Pembina Pipeline Corporation	Pref. Series 21	May 3, 2021	June 1, 2021	$0.306250
Pembina Pipeline Corporation	Pref. Series 23	April 30, 2021	May 17, 2021	$0.328125
Pembina Pipeline Corporation	Pref. Series 25	April 30, 2021	May 17, 2021	$0.325000

BUSINESS TO BUSINESS

AIRCRAFT

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6) Passive high % yield opportunity
7) 8yrs+ of positive cash flow
Request info:
b2bphysiocompanygta@gmail.com
416-366-8869

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS AND PARTICIPATING POLICYHOLDERS

When: Thursday, April 29, 2021 at 4:00 p.m. (Eastern Time)

Where: Virtual only meeting via live audio webcast at https://web.lumiagm.com/412114035

Password: "empirelife2021" (case sensitive)

Notice is hereby given that the Annual Meeting of the shareholders and participating policyholders of **The Empire Life Insurance Company** (Company) will be conducted via live audio webcast in order to comply with legal requirements and social distancing best practices in light of the COVID-19 pandemic.

This meeting is to be held for the following purposes:

1. To receive and consider the consolidated financial statements of the Company for the year ended December 31, 2020 together with the report of the auditor thereon;
2. To elect Shareholders' Directors and Policyholders' Directors;
3. To reappoint PricewaterhouseCoopers LLP as auditors and to authorize the directors to fix the auditor's remuneration; and
4. To transact such further or other business as may properly come before the meeting (or any postponement or adjournment thereof).

DATED at Kingston this 9th day of March, 2021
By Order of the Board of Directors
Heather L. Christie, Corporate Secretary

Participating Policyholders may receive a copy of the management information circular by submitting a request to the Secretary at The Empire Life Insurance Company, 259 King Street East, Kingston, ON K7L 3A8 or by email at secretary@empire.ca.

Sports

Online platform helps keep Quebec's sugar shacks afloat

VIRGINIE ANN
The Canadian Press

MONTREAL — Stephanie Laurin slept next to a colossal, simmering pot every night over the last week, supervising the production cycle of pea soup at Chalet des Erables sugar shack, north of Montreal.

Laurin hasn't welcomed a single diner into her business since 2019 because of the pandemic, and yet she spent hours cooking and shipping hundreds of Easter packages across the region, filled with pea soup, meat pies, baked beans, omelettes, maple syrup and a recipe for maple taffy.

Chalet des Erables and more than 70 other sugar shacks across Quebec are taking advantage of an online platform created by their industry association to keep a beloved tradition alive and their businesses afloat during difficult times.

"We will soon reach more than 2,000,000 visits on our platform," said Laurin, who is also the chair of the association that represents the province's sugar shacks, called Association des salles de réception et érablieres du Quebec.

"It's unbelievable," she said in a recent interview, "considering the fact that we are eight million people in Quebec and that the website didn't exist a few weeks ago."

The website, called Ma Cabane à la Maison (my sugar shack at home), was launched Feb. 22 as a way to reinvent the sugar shack experience and prevent more businesses from closing. The COVID-19 pandemic has led to the closure of one-quarter of Quebec's 200 sugar shacks.

Instead of sitting shoulder to shoulder along a cafeteria-style table eating sticky, calorie-loaded meals, Quebecers can bring the experience home — and they ordered from the platform in droves ahead of the Easter weekend.

"Without Ma Cabane, less than 50 sugar shacks would still be standing," Laurin said. "It was a plague, what was happening to the industry."

The province's centuries-old love affair with maple syrup usually generates more than $300 million in annual revenues for sugar shacks, according to Laurin's industry association. The industry suffered a drop in income of more than 90 per cent in 2020 because of the pandemic.

The industry association estimates that the online platform will produce $10 million in revenues for participating companies over a period of eight weeks. The platform offers Quebecers a choice between a variety of menus from 70 sugar shacks; the meals can be picked up at one of 196 participating Metro grocery stores.

Laurin said she was initially unsure of the project but was overwhelmed by how quickly people modified their sugar shack tradition.

"When people go to a sugar shack, it's for the experience, to enjoy a day with your family, we see our uncles, aunts, grandchildren and we all share a meal," Laurin said. "But Quebecers understood the message that if we want to reopen sugar shacks one day, we need to order online this year."

For Eve Masse and her family, Easter typically involves a reservation at a sugar shack. In previous years, the family from Quebec's Montérégie region drove sometimes hours away to spend the day eating and laughing at a "cabane a sucre."

With Ma Cabane à la Maison, the family, like thousands of other Quebecers, was able to satisfy its craving while staying at home — minus the all-you-can-eat option of a standard sugar shack.

"It tasted delicious," Masse said, despite admitting she missed the festive folklore ambience. "If the sugar shacks are still closed next year, of course, we will order again!"

Laurin reported that the Easter weekend was by far the most successful period since the initiative was launched. By April 10, Ma Cabane à la Maison will have collected 100,000 online orders, with an average of three meals per order, Laurin estimated.

Ma Cabane à la Maison has been especially lucrative for owners of smaller businesses, who have found themselves preparing more orders this year than they normally would for in-person dining. Patricia Daoust, owner of Bistro La Dent Sucrée, a sugar shack west of Montreal, said she's finding a second wind with the initiative.

Before the pandemic, Daoust's bistro could sit no more than 100 people per evening, but for the Easter holiday, Daoust and her staff produced more than 300 boxes of a gastronomic, gluten-free feast.

"It brings tears to my eyes to see the support," Daoust said. "We were about to lose a Quebec tradition and we needed this initiative to move forward."

Patricia Daoust, owner of Bistro La dent Sucrée sugar shack, prepares takeout orders in what is normally the facility's dining room in St. Eustache, Que. RYAN REMIORZ, THE CANADIAN PRESS

Biden will compromise on infrastructure, but, 'Inaction, simply, is not an option'

JOSH BOAK
The Associated Press

WASHINGTON — President Joe Biden drew a red line on his $2.3 trillion infrastructure plan Wednesday, saying he is open to compromise on how to pay for the package but inaction is unacceptable.

The president turned fiery in an afternoon speech, saying that the United States is failing to build, invest and research for the future and adding that failure to do so amounts to giving up on "leading the world."

"Compromise is inevitable," Biden said. "We'll be open to good ideas in good faith negotiations. But here's what we won't be open to: We will not be open to doing nothing. Inaction, simply, is not an option."

Biden challenged the idea that low tax rates would do more for growth than investing in care workers, roads, bridges, clean water, broadband, school buildings, the power grid, electric vehicles and veterans hospitals.

The president has taken heat from Republican lawmakers and business groups for proposing that corporate tax increases should finance an infrastructure package that goes far beyond the traditional focus on roads and bridges.

"What the president proposed this week is not an infrastructure bill," Sen. Roger Wicker, R-Miss., said on NBC's "Meet the Press," one of many quotes that Republican congressional aides emailed to reporters before Biden's speech. "It's a huge tax increase, for one thing. And it's a tax increase on small businesses, on job creators in the United States of America."

Biden last week proposed funding his $2.3 trillion infrastructure plan largely through an increase in the corporate tax rate to 28% and an expanded global minimum tax set at 21%. But he said Wednesday he was willing to accept a rate below 28% so long as the projects are financed and taxes are not increased on people making less than $400,000.

"I'm willing to listen to that," Biden said. "But we gotta pay for this. We gotta pay for this. There's many other ways we can do it. But I am willing to negotiate. I've come forward with the best, most rational way, in my view the fairest way, to pay for it, but there are many other ways as well. And I'm open."

He stressed that he had been open to compromise on his $1.9 trillion coronavirus relief plan, but Republicans never budged beyond their $600 billion counteroffer.

"If they'd come forward with a plan that did the bulk of it and it was $1.3 billion or four … that allowed me to have pieces of all that was in there, I would have been prepared to compromise," Biden said. "But they didn't. They didn't move an inch. Not an inch."

The president added that America's position in the world was incumbent on taking aggressive action on modern infrastructure that serves a computerized age. Otherwise, the county would lose out to China in what he believes is a fundamental test of democracy. Republican lawmakers counter that higher taxes would make the country less competitive globally.

"You think China is waiting around to invest in this digital infrastructure or on research and development? I promise you. They are not waiting. But they're counting on American democracy, to be too slow, too limited and too divided to keep pace."

U.S. President Joe Biden speaks during an event on the American Jobs Plan in the White House on Wednesday, while Vice-President Kamala Harris looks on. EVAN VUCCI, THE ASSOCIATED PRESS

EXPLAINER: What we know about the Amazon union vote

JOSEPH PISANI
The Associated Press

Amazon is known for quick delivery. But finding out whether Amazon warehouse workers voted for or against unionizing is going to take some more time.

The final day for the nearly 6,000 workers in Bessemer, Alabama, to cast their ballots was more than a week ago. But it could still take a few more days — or longer — to review and tally all the votes before the outcome is known.

The vote itself has garnered national attention because of the potentially wide-reaching implications. Labour organizers hope a win in Bessemer will inspire thousands of workers nationwide — and not just at Amazon — to consider unionizing. For Amazon, it would mean a big blow to its profits and could alter its business operations.

• WHAT DO ORGANIZERS WANT?

Besides higher pay, they want Amazon to give warehouse workers more break time and to be treated with respect. Many complain about their back-breaking 10-hour workdays with only two 30-minute breaks. Workers are on their feet for most of that time, packing boxes, shelving products or unpacking goods that arrive in trucks.

• WHY IS THIS HAPPENING NOW?

Labour historians point to two reasons, the pandemic and the Black Lives Matter movement.

Workers feel betrayed by employers who didn't do enough to protect them from the virus. At the start of the pandemic, for example, Amazon workers held walkouts because they said they weren't given protective gear or told when coworkers tested positive for the virus.

The Black Lives Matter movement, meanwhile, has inspired people to demand to be treated with respect and dignity. Most of the workers in the Bessemer warehouse are Black, according to organizers.

The last time Amazon workers tried to unionize was in 2014, when a small group of mechanics working at a warehouse in Delaware tried to organize. But that effort was ultimately voted down.

• WHAT'S AMAZON'S RESPONSE?

Amazon argues the Bessemer warehouse, which opened about a year ago, created thousands of jobs with an average pay of $15.30 per hour — more than twice the minimum wage in Alabama. Workers also get benefits including health care, vision and dental insurance without paying union dues, the company said.

• HOW ARE THE VOTES BEING TALLIED?

The National Labor Relations Board, which is overseeing the process, is going through the votes with representatives from Amazon and the Retail, Wholesale and Department Store Union. Names and signatures are being reviewed, but not how those workers voted, which will be done afterwards in an anonymous tally.

BMO found AI, diversity opportunities in pandemic: CEO

The Canadian Press

TORONTO — BMO Financial Group's chief executive says the COVID-19 pandemic has pushed his bank to get more serious about artificial intelligence, diversity and climate change.

BMO spent the first year of the health crisis focused on helping customers facing unprecedented challenges, but Darryl White said Wednesday that it also sought opportunities to "grow the good."

"We entered 2020 with strong momentum, we adapted quickly to the changing environment, continued making progress throughout the year and came out of it even stronger," said White, during the bank's annual general meeting, which was held virtually for the second time.

White attributed some of that strength to artificial intelligence, which he said allowed BMO to model more lending scenarios and access deeper and increasingly sophisticated pools of data.

The technology helped customers make quicker and better decisions as they grappled with layoffs, lower investment rates and mortgage deferral needs.

White and the bank didn't just see opportunities in AI. The pandemic also delivered chances to increase the bank's diversity and commitments around climate change.

"Our bank has long believed that sharing the gains of social and economic well-being and that belief has only intensified during the pandemic," White said.

BMO recently introduced a series of targets aimed at increasing the representation of women, employees with disabilities and workers who are Black, Latino, LGBTQ+ or Indigenous by 2025.

The company pledged to raise the representation of Black employees in senior leadership roles to 3.5 per cent in Canada and 7 per cent in the U.S., increase the number of Indigenous workers to 1.6 per cent across the whole company and maintain a gender equity position between 40 and 60 per cent in senior positions.

In its most recent proxy circular, the bank said women make up 54 per cent of the bank's employees and about 41 per cent of its senior leadership roles.

BMO zeroed in on environmental commitments too because of the "urgent" need to address climate change, White said.

"In more and more company boardrooms, climate action is no longer seen as a sustainability pledge," he said. "It is a business imperative."

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A Coast Guard rescue crew heads toward a capsized commercial vessel on Tuesday, searching for people in waters off Grand Isle, Louisiana. U.S. COAST GUARD COAST GUARD CUTTER GLENN HARRIS VIA AP

In fierce winds, ship capsizes off Louisiana; 6 rescued, 12 missing

STACEY PLAISANCE, KEVIN MCGILL and JEFF MARTIN
The Associated Press

PORT FOURCHON, Louisiana — The Coast Guard searched for 12 people missing off the coast of Louisiana on Wednesday after finding one person dead and pulling six survivors from rough seas when their commercial vessel capsized in hurricane-force winds.

Coast Guard Capt. Will Watson said winds were 130 to 145 kilometres an hour and seas were 2.1 to 2.7 metres when the Seacor Power lift vessel overturned.

"That's challenging under any circumstance," Watson said. "We don't know the degree to which that contributed to what happened, but we do know those are challenging conditions to be out in the maritime environment."

The bulky vessel that has three long legs it can lower to the sea floor to become an offshore platform flipped over Tuesday afternoon miles south of Port Fourchon, a major base for the U.S. oil and gas industry.

One worker was found dead on the surface of the water, Watson said at a news conference Wednesday.

Asked about the prospects of the missing crew, he said: "We are hopeful. We can't do this work if you're not optimistic, if you're not hopeful."

Divers were heading to the local area Wednesday afternoon, Coast Guard spokesman Petty Officer John Micheli said.

Lafourche Parish President Archie Chaisson III said time was critical in the rescue effort, especially because more rough weather was in the forecast.

"The hope is that we can bring the other 12 home alive," Chaisson said.

Marion Cuyler, the fiancée of crane operator Chaz Morales, was waiting with family of other missing workers at a Port Fourchon fire station near a landing site where helicopters were coming and going. She said she talked to her fiancé before he left Tuesday.

"He said that they were jacking down and they were about to head out, and I'm like: 'The weather's too bad. You need to come home.' And he's like: 'I wish I could.'"

The relationship of those on board to ship owner Seacor Marine was not immediately clear. The ship, which can work in up to 60 metres of water, can carry a crew of 12, two "special personnel" and 36 passengers, according to the company website. An employee who answered the phone Wednesday morning at the Houston-based company said he had no immediate information he could share.

While noting the harsh weather conditions, Watson said its role in the capsizing was under investigation. The vessel left Port Fourchon at 1:30 p.m. Tuesday, bound for Main Pass off the southeast Louisiana coast, he said. "We did have some weather reports yesterday that there would be some challenging weather. But this level of weather was not necessarily anticipated," he said.

The National Weather Service in New Orleans issued a special marine warning before 4 p.m. Tuesday that predicted steep waves and winds greater than 50 knots.

The Coast Guard received a distress message from a good Samaritan at 4:30 p.m. and issued an urgent marine broadcast that prompted multiple private vessels in the area to respond, saving four people, the agency said. Coast Guard crews rescued another two people.

At one point, video showed the massive ship — 39 metres long at its beam — with one leg pointed awkwardly skyward as rescuers searched the heaving water.

Former Minnesota officer charged in shooting of Black motorist

SCOTT BAUER and MIKE HOUSEHOLDER
The Associated Press

BROOKLYN CENTER, Minnsota - A white former suburban Minneapolis police officer was charged Wednesday with second-degree manslaughter for killing 20-year-old Black motorist Daunte Wright in a shooting that ignited days of unrest and clashes between protesters and police.

The charge against former Brooklyn Center police Officer Kim Potter was filed three days after Wright was killed during a traffic stop and as the nearby murder trial progresses for the ex-officer charged with killing George Floyd last May.

The former Brooklyn Center police chief has said that Potter, a 26-year veteran and training officer, intended to use her Taser on Wright but fired her handgun instead. However, protesters and Wright's family members say there's no excuse for the shooting and that it shows how the justice system is tilted against Blacks, noting Wright was stopped for expired car registration and ended up dead.

"Certain occupations carry an immense responsibility and none more so than a sworn police officer," Imran Ali, Washington County assistant criminal division chief, said in a statement announcing the charge against Potter. "[Potter's] action caused the unlawful killing of Mr. Wright and she must be held accountable."

Ali said he and Washington County Attorney Pete Orput met with Wright's family and assured them that no resources would be spared in prosecuting the case.

Intent isn't a necessary component of second-degree manslaughter in Minnesota. The charge — which carries a maximum penalty of 10 years in prison — can be applied in circumstances where a person is suspected of causing a death by "culpable negligence" that creates an unreasonable risk and consciously takes chances to cause the death of a person.

Potter, 48, was arrested Wednesday morning at the Bureau of Criminal Apprehension in St. Paul. Her attorney did not respond to messages from The Associated Press.

Potter and Police Chief Tim Gannon both resigned Tuesday.

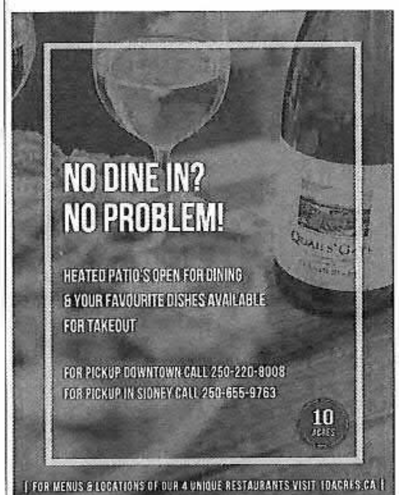
Iran's supreme leader: Vienna offers 'not worth looking at'

DUBAI, United Arab Emirates — Iran's supreme leader on Wednesday dismissed initial offers at talks in Vienna to save Tehran's tattered nuclear deal as "not worth looking at," attempting to pressure world powers after an attack on the country's main nuclear enrichment site.

The comments by Ayatollah Ali Khamenei, who has final say on all matters of state in the Islamic Republic, came after a day that saw Iran's president similarly ratchet up pressure over the accord.

European powers meanwhile warned Tehran its actions were "particularly regrettable" and "dangerous."

— The Associated Press



Call for workers to be bumped up in line for vaccination

Business groups urge Ontario to ramp up schedule as province re-enters lockdown

AVERY MULLEN

Industry and labour groups are calling on the Ontario government to prioritize vaccinating their workers against COVID-19, as a fresh wave of the pandemic hit the country, forcing the province to enforce a four-week lockdown.

The Canadian Federation of Independent Business, which represents 95,000 small businesses across the country, said it's disappointed with Ontario's latest order and urged the province to "ramp up vaccination schedules" and target communities and business sectors that are facing the largest outbreak.

"Many employers are willing and ready to help facilitate vaccines for their workers and to use rapid testing if it means they can avoid another lockdown," Dan Kelly, president of CFIB, said in a statement. "Small businesses are already stretched to a breaking point — shutting them down yet again, while we have better, more precise tools at our disposal, is nothing short of cruel."

The Canadian Manufacturers and Exporters (CME) and the Ontario Chamber of Commerce have also asked the provincial government to move essential workers closer to the front of the vaccine line. Currently, most provinces have been vaccinating people by age group, with only limited numbers of essential workers also eligible.

"As a sector that employs over 750,000 essential workers in the manufacturing sector that continue to go to work every day — we must ensure that Ontario uses every resource available to them to increase vaccination rollout," said CME CEO Dennis Darby in a press release. The group represents 2,500 manufacturers across the country.

"While our sector has retooled entire operations to make essential PPE (personal protective equipment) and other goods necessary for their protection, access to vaccines is imperative for these workers to be adequately protected day in and day out."

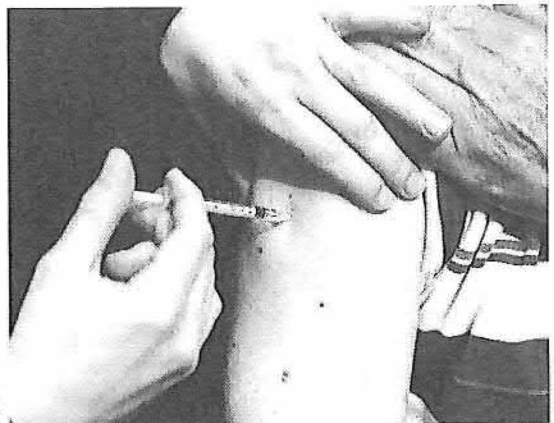
The CME has also offered to make its member companies' industrial sites and resources available to the government to help facilitate a vaccine program for manufacturing workers, and asked Ontario to introduce a rapid-testing program for members' employees.

"As the Government of Ontario proceeds with Phase 2 of the rollout, we would like to see the earlier prioritization of essential workers who cannot work from home and are most vulnerable and at risk,"

Dan Kelly

said Rocco Rossi, CEO of the Ontario chamber, which represents 63,000 companies.

Premier Doug Ford said Wednesday the province plans to start vaccinating people aged 18 and older living in COVID-19 hot spots, including teachers and essential workers.



COVID-19 infections have been rampant in workplaces. Ontario now plans to start vaccinating people aged 18 and older living in COVID hot spots, including essential workers. *DAMIEN MEYER/AFP VIA GETTY IMAGES*

Mobile teams will deliver vaccines in congregate settings, residential buildings, faith-based centres and large employers in areas hit hard by the virus.

Nationally, the United Food and Commercial Workers Association Canada, which represents 1.3 million workers, acknowledged the importance of vaccinating medically vulnerable people and health-care staff, but echoed the call for essential workers to be given priority.

"(Essential workers) are putting themselves in harm's way every day that they show up to work, and they have faced a heightened risk of contracting the coronavirus since day one of the pandemic," said association president Paul Meinema in a statement.

"UFCW members on the frontlines have more than proven the critical nature of their work, and have undoubtedly earned the right to be protected from COVID-19 while steadfastly providing crucial products and services to Canadians in every community across the country — day in, day out."

Chris White, CEO of the Ottawa-based Canadian Meat Council, told The Financial Post that with surging infections in many parts of the country and cases often centring around workplaces from crucial industries, vaccinating essential workers is an important tool for protecting supply chains.

"We've been advocating for that for some time ... particularly to ensure we maintain the supply chain," he said. "It's something that we've been asking for and something that we are fully supportive of, particularly now that they've mostly addressed the needs of health-care workers and seniors in residential care homes."

However, Olivier Bourbeau, vice-president for Quebec and federal affairs of Restaurants Canada, pushed back against that position. "Of course, we would like our workers to be vaccinated as soon as possible, but it is extremely important to respect the priority order, as well," he said in an interview. "Health workers, elderly people, they need to be first, and there is no way that we would like to cut the line. It is important to respect the priority of all the groups."

Bourbeau added that many of his member restaurants have invested tens of thousands of dollars per restaurant in additional training and safety equipment to make staff safer, helping reduce the urgency of vaccinations for workers.

In an open letter to Premier Ford on Thursday, Restaurants Canada called on the province to pay the industry more than $100 million for enforcing "abrupt" shutdowns.

Workplaces have been a major source of COVID-19 infections in Canada. Canada Post, Amazon.com Inc. and meat-processor Cargill Inc. are among the large employers to see triple-digit case counts at their facilities.

Financial Post
With additional reporting by The Canadian Press

Avoid hasty intervention on housing, BMO chief urges policy-makers

GEOFF ZOCHODNE

Bank of Montreal's chief executive officer says policy-makers should be thinking about the ways they could intervene in the scorching-hot housing market, but that they still need to watch and wait a while longer before taking any action.

Darryl White said Wednesday that Canada's housing markets are evolving with each passing week, and they are doing so in the midst of a pandemic and public-health measures that can affect real estate activity.

Demand, White said, is being pulled forward and is still relatively pent up, with some buyers worried about missing their chance to own a home. On the supply side, he said, listings may be up over the past six months, but construction of new homes is not keeping pace with demand.

This week-to-week evolution is set to continue for the next several weeks, according to White.

"If I were a policy-maker, I'd be spending my time assessing alternatives and knowing what they are, but I would be watching the market for a little bit while longer before I actually step in," he told the Financial Post on Wednesday.

White also pointed to a recent report by BMO's economics unit on the housing market, which said that policy-makers should take action and outlined several options they could choose, but did not definitively recommend any. That kind of work, which described options such as a speculation tax, is important, BMO's CEO said.

"If you have it on the shelf, and you're ready to go, you can then react when you have a little bit more clarity as to where these housing markets go, let's say in the July-to-end-of-the-year time frame," White told the Post.

One federal banking regulator already appears to be reviving a plan to tweak a housing-related measure that was delayed by the pandemic.

The Office of the Superintendent of Financial Institutions (OSFI) said on Wednesday that it will resume its policy work on the minimum qualifying rate for mortgages not insured against the borrower defaulting, the so-called "stress test."

OSFI and the Department of Finance said in February 2020 that they would replace the "floor" for the stress tests for both insured and uninsured mortgages with a new benchmark rate, one based on mortgage-insurance applications and an added buffer rather than mortgage rates published by the Big Six banks.

The move was planned for April and was aimed at making the stress tests — which try to determine if borrowers can keep up with their obligations if interest rates rise or their income takes a hit — more responsive to actual market conditions. It may have also made it easier for some borrowers to pass the tests.

However, those plans came screeching to a halt in March 2020 when the pandemic hit and both OSFI and the finance department suspended the proposed change as part of their response to the crisis. As the pandemic dragged on, and the residential real estate market took off, OSFI appeared to be in no rush to start the clock again on the stress-test tweak.

That is apparently no longer the case, a move that comes as the Canadian housing market is at a fever pitch, with prices shooting up amid relatively low interest rates and bids among buyers for more space.

It remains to be seen, however, if OSFI wants to rejig the floor of the stress test in the same fashion it did in 2020, as it will begin its work Thursday by issuing a consultation letter. In February, though, the regulator said that the proportion of mortgages approved for the most highly indebted borrowers has been rising since the second half of 2019.

Darryl White

"OSFI will continue to monitor the performance of these metrics, along with a number of other measures to assess the effectiveness of Guideline B-20," which includes the stress test, the regulator noted at the time.

Canadian Western Bank chief executive Chris Fowler told the Post in a recent interview that he personally didn't think that surging housing prices required a tighter stress test.

"I think there are enough gates in there, in terms of borrower qualifications," he said.

Financial Post
With additional reporting from Kevin Carmichael

How Barrick hopes to win back its 'social licence' in Papua New Guinea

GABRIEL FRIEDMAN

Mining executives often talk about the importance of having a "social licence" to operate, yet it's rare to hear them acknowledge when they don't have one.

Barrick Gold Corp.'s chief executive Mark Bristow says it happened to his company in Papua New Guinea, where its Porgera mine had been pumping out gold for nearly three decades, even as accusations about human rights and environmental abuses in the surrounding communities have festered.

Ultimately, last April, Toronto-based Barrick was forced to put the mine on care and maintenance, essentially ceasing operations, when the government declined to renew its permit. Since then, Bristow has made countless trips to the island nation to meet with Prime Minister James Marape, including four since December. This month, the company announced a new binding deal: It will increase Papua New Guinea's stake in the entity that owns the mine to 51 per cent from five per cent, making Barrick a minority owner in the mine it operates there.

Bristow, who took the helm of Barrick in 2019, acknowledged the company had neglected its relationship with the community — although he never commented on the accusations of abuses — and stressed that he wants to build a mining company "that's acceptable to future generations."

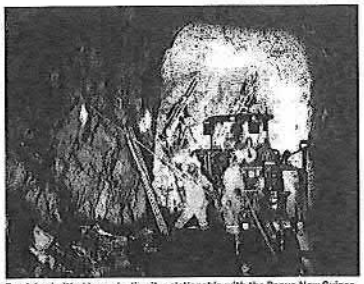
He said the terms of his new partnership framework in Papua New Guinea show the path, even though many people remain skeptical that he or anyone could ever win back trust in the community.

"Generally, you can operate in the majority of mineral-endowed countries in the world, provided that you're prepared to recognize and build a licence to operate," Bristow told the Financial Post.

"And what happened in Papua New Guinea is, we lost that."

Porgera, a high-elevation open pit and underground mine that produced 598,000 ounces of gold in 2019 at an all-in sustaining cost of US$1,002 per ounce, has the potential to continue for another two decades, and is a "world class asset," according to Bristow.

Since Barrick acquired the mine in 2006, it has developed a notorious reputation. In 2009, Norway's sovereign wealth fund said it was divesting its roughly US$184-million position in Barrick because of the environmental problems associated with the mine. For years, activists have shown up at the company's annual meeting to decry the conditions around the mine.



Barrick admitted to neglecting its relationship with the Papua New Guinea community. It announced it will increase the island nation's stake in the entity that owns the Porgera gold mine to 51 per cent. BARRICK GOLD

They say the company dumps mine tailings laden with mercury and other toxins into a local tributary, which has contaminated fresh water, destroyed local agriculture, and led to brutal encounters with private and public security forces when impoverished local residents crossed the river, or panned for gold in the tailings.

"This is a wild place," said Bristow, who declined to comment on the accusations, but added, "If we stepped away from this, it would quickly degenerate into something too ghastly to imagine."

His new partnership agreement comes at a time that gold prices are elevated, at US$1,735 per ounce, and governments in many countries with emerging economies are demanding greater returns from foreign extractive companies.

Bristow says Barrick is looking to build back trust, and that the new deal will do that in several ways. In addition to raising Papua New Guinea's ownership stake — which includes various stakeholders including the national and provincial governments, as well as some landowners and others — to a majority, Barrick and its joint venture partner, China's Zijin Mining Group Co Ltd, will see their respective shares decline to 24.5 per cent each, from 47.5 per cent.

As well, Bristow said Papua New Guinea's stakeholders would receive 53 per cent of the economic benefits; and that the government is guaranteed tax payments, even as Barrick and Zijin prepare to invest close to US$1 billion to improve the mine in the next few years.

"There's not many countries that (let) you get away with more than 50 per cent of the economics no matter what you own," said Bristow, adding, "That's a paradigm that the market is going to have to get its head around."

There is some precedent in the gold sector: In 2018, U.S.-based Freeport-McMoran Inc. struck a deal that gives Indonesia a roughly 51-per-cent stake in its Grasberg mine, one of the largest copper and gold mines in the world.

But Bristow insisted that the deal he struck in Papua New Guinea differs as it guarantees that the government would receive tax revenues, regardless of whether the costs of capital improvements to the mine have been recouped.

Too often, he said miners strike deals that allow them to defer paying taxes until they've paid down the capital costs of building or improving a mine.

Not all the details of the economic agreement with Papua New Guinea have been released yet, though, and Bristow said there are still several steps remaining before the mine can be reopened and the deal can be implemented.

Catherine Coumans, research co-ordinator for Mining Watch Canada, who has been an outspoken critic of the company, expressed skepticism about the deal, saying that the landowners she has spoken to were not consulted.

"It doesn't address the groundswell of anger and frustration coming up from the people who have to live with this mine," said Coumans.

Financial Post

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We're almost at the end of B.C.'s current "circuit breaker lockdown," which means you probably completed your spring cleaning checklist last week, including even the back-breaking task of cleaning the oven. With a sparkling clean home, now's the time to refresh your interior décor, invest in bigger purchases or simply treat yourself. Just in time too, as Support and Buy Local returns this month from April 22 to 27.

Postmedia's online auction allows shoppers to indulge without the buyer's remorse, offering incredible savings on everything from original artworks to golf memberships. Not to mention, the seasonal sale supports local businesses and provides a boost to the economy — when it's needed the most.

"British Columbians and local businesses are still being challenged by the pandemic, more than a year since this all began," says Mark Dowell, director of integrated advertising sales at Postmedia in Vancouver. "Postmedia has been a steadfast supporter of the community and is proud to continue offering local consumers and businesses a platform for exchange. It's our way of boosting the economy while offering well-deserved savings to everyone involved."

The last Black Friday auction offered deep discounts on more than $300,000 worth of goods. The upcoming spring sale will provide even more great deals on a range of quality items. Current items for sale include original art by local artist Mia Weinberg, memberships to Canada Golf, gift cards to California Closets, accessories from Lanka Jewels and much more. Inventory will continue to be added up to the auction's launch and throughout the bidding period.

Renovate your home office with a gift card to California Closets, available on Support and Buy Local Auction. SUPPLIED

For local businesses, the auction is an opportunity to invest at a time when cash flow is limited. Items from a business' existing inventory can be put up for sale. In return, Postmedia will provide the full retail value of all items sold toward future advertising, regardless of the winning bids.

The Support and Buy Local Auction will begin on April 22 and close on April 27. Bids will be accepted throughout the duration of the auction.

For keeners who are all ready to move from spring cleaning to spring shopping, account registration is open now. Early registrants can get a head start on their retail therapy by previewing items from today. Check in daily during the preview period to see newly added items and peruse the inventory.

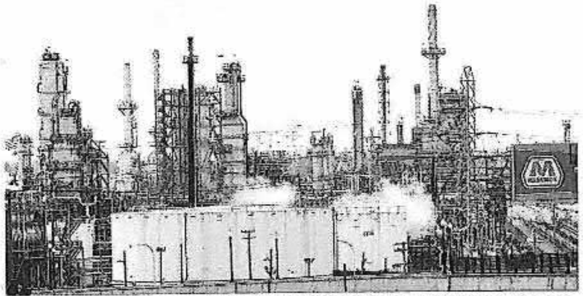
To register and view auction items, visit VancouverSun.com/SupportLocal.

Businesses interested in participating can contact Mark Dowell at mdowell@postmedia.com or visit postmediasolutions.com/contact-us.

THIS STORY WAS CREATED BY CONTENT WORKS, POSTMEDIA'S COMMERCIAL CONTENT DIVISION.

BUSINESS

Editor: Darron Kloster > Telephone: 250-380-5235 > Email: dkloster@timescolonist.com timescolonist.com/business



Storage tanks at the Marathon Petroleum Corp. refinery in Detroit. In a counter-intuitive spin, Canada is growing more dependent on imports of American oil. PAUL SANCYA, THE ASSOCIATED PRESS

U.S. oil made up 77% of Canada's oil imports last year, regulator says

JAMES McCARTEN
The Canadian Press

WASHINGTON — Canada is growing ever more reliant on imported American oil, a new report from the country's energy regulator suggests, putting a counter-intuitive spin on the fierce debate about cross-border pipelines and energy independence.

The United States provided nearly four out of every five barrels of imported crude in 2020, a year when global demand for fossil fuels was badly dented by the COVID-19 pandemic, the latest data from the Canada Energy Regulator.

About 77 per cent of Canadian imports came from the U.S., up from 72 per cent in 2019 and a paltry six per cent in 2010, before a dramatic spike in domestic American oil and gas production over the last decade.

"We do often think of the pipeline relationship between the two countries as being one of, 'Canada produces and exports to the U.S.,' " said Darren Christie, the regulator's chief economist. "This is specifically showing that there is another side to that coin, which is that we also import production from the U.S."

Close observers of Canada-U.S. trade flows, particularly those in the energy sector, might not be overly surprised by how much American crude oil has been travelling north in recent years.

The U.S. absorbed a whopping 96 per cent of Canadian oil exports last year, the bulk of it heavy crude, more than half of it to the U.S. Midwest, which has been ground zero for pipeline disputes for much of the past 15 years.

But a massive surge in U.S. oil and gas production, fuelled in part by new extraction technology like fracking and horizontal drilling, has made it a convenient source of feedstock for refineries in both countries, Christie said. "Their crude oil production has more than doubled in the last 10 years, which is quite a remarkable increase," he said.

"That creates a massive supply push out of the U.S. And if we are just north and had previously been importing some crudes from around the world, it's a natural market for a lot of that increased production out of the U.S."

While foreign oil has long been a part of the Canadian energy mix, the latest numbers — along with the proportion of imports from the U.S. — casts the ongoing controversy over pipeline links between the two countries in a surprising new light.

On his first day in the Oval Office, U.S. President Joe Biden cancelled the Keystone XL pipeline expansion, which would have ferried an additional 800,000 barrels a day of Alberta oilsands bitumen to refineries on the U.S. Gulf Coast.

In market debut, Coinbase valued briefly at $100B US

MICHELLE CHAPMAN
and ALEX VEIGA
The Associated Press

Coinbase made a rousing debut on Wall Street Wednesday, with shares of the digital currency exchange rising as high as $429, briefly giving it a market value over $100 billion US.

Coinbase Global Inc.'s initial public offering happened with cryptocurrency chatter seemingly everywhere, even at the U.S. Federal Reserve. Digital currencies are being incorporated into business plans and accepted for payment by major corporations like Tesla, PayPal and Visa.

The San Francisco-based company's listing on a public stock exchange is seen by some as an inflection point for digital currencies, as Coinbase's fortunes are closely tied to Bitcoin, the most popular cryptocurrency. Bitcoin's price topped $64,000 on Wednesday, up from $29,000 at the start of the year, and Coinbase said recently that first-quarter revenue should total around $1.8 billion, exceeding its revenue for all of 2020.

Shares of Coinbase are listed on the Nasdaq under the ticker "COIN," and closed at $328.28, up 31% from the $250 reference price set by Nasdaq ahead of the first trade. That puts Coinbase's market value at $85.78 billion.

That market value makes Coinbase one of the biggest publicly traded U.S. companies — just 93 companies in the S&P 500 index have a higher market value. Coinbase's value is close to the combined market value of Nasdaq Inc., which runs the Nasdaq Stock Market, and Intercontinental Exchange, which owns the New York Stock Exchange.

Founded in 2012, Coinbase became popular among cryptocurrency fans by providing them with an easier way to exchange shares of Bitcoin and other digital currencies. Unlike many newly public companies Coinbase is profitable — the company estimates it had net income of between $730 million and $800 million in the first quarter.

Dan Ives, analyst at Wedbush Securities, said in a note Wednesday that "Coinbase is a foundational piece of the crypto ecosystem and is a barometer for the growing mainstream adoption of Bitcoin and crypto for the coming years."

Still, even as more companies warm up to digital currencies, there are many doubters. Until recently the major financial institutions avoided cryptocurrencies, and Bitcoin is still viewed more as a store of value than as a method of payment.

Even as Coinbase made its trading debut, Federal Reserve Chair Jerome Powell described cryptocurrencies as "vehicles for speculation" in comments to the Economic Club of Washington. "No one is using them for payments, for example, like the dollar."

And not all investors are buying into the Coinbase hype. David Trainer, CEO of investment research firm New Constructs, said Coinbase has "little-to-no-chance of meeting the future profit expectations that are baked into its ridiculously high valuation."

Trainer last week put a valuation on Coinbase closer to $18.9 billion, arguing it will face more competition as the cryptocurrency market matures.

Coinbase said it had 56 million verified users as of March 31, with 6.1 million making transactions monthly. Trading volume in the first quarter was $335 million.

Coinbase earns 0.5% of the value of every transaction that goes through its system. So if someone buys $100 in Bitcoin, Coinbase earns 50 cents. If Bitcoin or Ethereum prices drop, the commissions Coinbase earns drop as well, giving it some exposure to the digital currencies' rise and fall.

Not enough women in boardrooms despite comply-or-explain rule: study

DENISE PAGLINAWAN
The Canadian Press

Women remain underrepresented in boardrooms of Canadian companies listed on the Toronto Stock Exchange despite the introduction of disclosure requirements intended to boost their numbers, a study by an Ottawa think tank has found.

The Conference Board of Canada said that while there is some progress in the proportion of women on corporate boards, the pace of change remains slow. "More needs to be done if we're going to achieve that goal of parity earlier," said Susan Black, Conference Board CEO and lead author of the study, in an interview.

In 2015, the Ontario Securities Commission and other Canadian regulators implemented a so-called comply-or-explain rule, which requires most publicly traded companies to disclose the number of women in key positions or explain why they have not met their goals.

Women only made up 15 per cent of Canadian boards in 2018 – an increase of just four percentage points from 2015, when seven provinces and two territories introduced the disclosure requirements, the study found.

"[The] improved 'comply or explain' disclosure requirements have failed to accelerate the entry of women into corporate boardrooms," the Conference Board report reads.

The study said there is no compelling evidence that disclosure has accelerated the inclusion of women on boards since a faster pace would have led to a greater increase in representation since 2015.

Black said the numbers demonstrate that requiring organizations to publicly state what they're doing is not sufficient to change behaviours and speed up progress toward gender parity in boardrooms.

The study found more than half of the board seats that became vacant in 2018 went to men and about a quarter were left unfilled or eliminated.

"The good news is women still filled a quarter of the board seats; the bad news is women only fill a quarter of the board seats," said Black.

If men and women were added to boards on a 50:50 ratio, boardrooms would reach parity in five years, she added.

Black said some approaches organizations can take to achieve this is by having specific diversity targets and board term limits, as well as keeping a list of potential board candidates and making sure that list is diverse.

Companies that adopted such diversity practices had consistently higher representation of women on their boards, the study said.

It recommended that companies expand their pool of senior women executives to develop the talent pipeline for women board members.

Appendix B

Building a better working world

Ernst & Young Inc.
700 West Georgia Street
Vancouver, BC V7Y 1C7

Tel: +1 604 891 8200
Fax: +1 604 899 3530
ey.com

March 31, 2021

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

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

Court File No. S212302

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

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

The Conversion Order *inter alia*:

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

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

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

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

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

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

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

Per:

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

Appendix C

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

AND

IN THE MATTER OF THE BUSINESS CORPORATIONS ACT, S.B.C. 2002, C. 57

AND

IN THE MATTER OF ENCOREFX INC.

AFFIDAVIT OF MAILING

I, Jason Eckford, of the City of Vancouver in the Province of British Columbia, make oath and say:

1. THAT I am employed by Ernst & Young Inc., Monitor acting in the matter of EncoreFX Inc.

2. THAT under instructions from the Monitor herein I did on April 9, 2021 cause to be sent by mail a copy of the notice package hereto annexed and marked as Exhibit "A" and a unique claim amount notice in the form annexed and marked as Exhibit "B", to this my affidavit to each of the parties shown on the lists hereto annexed and marked Exhibit "C" to this my affidavit.

3. THAT the deponent was not physically present before the commissioner, but was linked with the commissioner utilizing video technology and that the process described below for remote commissioning of affidavit was utilized.

Sworn before me at the City of Vancouver in the Province of British Columbia this May 5, 2021)
)
)
)

Jason Eckford

Philippe Mendelson
A Commissioner for taking Affidavits
for the Province of British Columbia
Expires: July 31, 2021

This is Exhibit "A" referred to in the Affidavit of Jason Eckford sworn (or affirmed) before me at Vancouver, BC this 5 day of May 2021.

A Commissioner for Taking Affidavits for British Columbia

Exhibit A

Ernst & Young Inc.
700 West Georgia Street
Vancouver, BC V7Y 1C7

Tel: +1 604 891 8200
Fax: +1 604 899 3530
ey.com

April 9, 2021

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

RE: Notice of the Claims Process Order and the Meeting of Creditors regarding EncoreFX under the *Companies' Creditors Arrangement Act (the "CCAA")*

Court File No. S212302

We wrote you last week to advise you that on March 30, 2021, the Supreme Court of British Columbia (the "**Court**") pronounced an Order which converted the bankruptcy proceedings of EncoreFX to proceedings under the CCAA. Ernst & Young Inc. was appointed as monitor ("**EY**" or the "**Monitor**") in the CCAA proceedings.

On April 8, 2021, the Court pronounced a number of Orders in the CCAA proceedings of Encore FX, including:

- a "**Creditors' Meeting Order**" which establishes a procedure for convening a meeting of the creditors of EncoreFX (the "**Creditors' Meeting** ") for the purpose of voting on a Plan of Compromise and Arrangement filed on behalf of the Company (the "**Plan**"); and
- an Order (the "**Claims Process Order**") which establishes a procedure and a deadline (the "**Claims Bar Date**") for determining the amount and nature of Claims of creditors as against EncoreFX (the "**Claims Process**").

The Creditors' Meeting has been scheduled for **3:00pm Pacific Daylight Time ("PDT") on May 11, 2021**. Enclosed with this letter are the following documents:

- a Notice of Creditors' Meeting;
- a "**Plan Information Letter**" which provides a comprehensive overview of:
    - the Plan which establishes three (3) Classes of Creditors and proposes a recovery to each Class;
    - the Claims Process and Claims Bar Date;
    - the procedure for the Creditors' Meeting; and
    - the steps that you are required to take with respect to voting on the Plan.
- a form of Proxy for voting at the Creditors' Meeting;
- the following documents pertaining to the Claims Process Order:
    - an "**Instruction Letter**" for submitting a Proof of Claim;
    - a Claim Amount Notice (if applicable);
    - a Proof of Claim form; and
    - a Convenience Creditor Form (if applicable).

The Plan, the Claims Process Order, the Creditors' Meeting Order are voluminous documents and can be downloaded together with other documents relating to the insolvency proceedings of the Company at www.ey.com/ca/EncoreFX.

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

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

Per:

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

Notice to Creditor’s Meeting

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 9th day of April, 2021

Plan Information Letter

April 9, 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:

<table>
<thead>
<tr><th>Class</th><th>Initial Proposed Settlement</th></tr>
</thead>
<tbody>
<tr><td>General Unsecured Creditors</td><td>• Each General Unsecured Creditor with a Proven Claim, the amount of which is equal to or less than $5,000, 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 greater than $5,000 but below $31,250, shall receive a cash distribution of:

i) an amount equal to $5,000 if it has filed a Convenience Creditor Form with the Monitor before the Claims Bar Date; or

ii) a Percentage Distribution in an amount equal to 16% of their Proven Claim.

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.</td></tr>
<tr><td>Property Claimants[1]</td><td>• 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.</td></tr>
<tr><td>Secured Creditor</td><td>• $12,000,000.</td></tr>
<tr><td colspan="2">(1) “Property Claimants” are comprised of Affected Creditors with outstanding 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. 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.</td></tr>
</tbody>
</table>

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.

Filing of Claims

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.

If you agree with the amount and classification of your Claim in the Claim Amount Notice then you are not required to complete a Proof of Claim. Your Claim will be deemed to have been accepted for all purposes at the amount and categorization set out in the Claim Amount Notice.

If you dispute either the amount or classification of your Claim, you must deliver a Proof of Claim to the Monitor by no later than 4:00PM (Pacific Daylight Time) on May 5, 2021 (the "**Claims Bar Date**").

Creditor's Meeting

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, which is appended to the Creditor's Meeting Order as Appendix "C".

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.

Creditor Voting

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.

Approval by an Affected Creditor Class

EYI will seek approval of this Plan by the affirmative vote of the Required Majority of the Affected Creditors with Proven Claims.

- 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
Senior Vice President

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

Proxy Form

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

Instruction Letter for Claims Process

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.***

Proof of Claim Form

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.

_____________________________________ Per: _________________________________

Witness:

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) _____________ of _________________;
   (Position) (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

Convenience Creditor Form

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 April 6, 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.

____
Witness:

Per: ________________________________

Print name of Creditor:

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

Title: _

This is Exhibit " B " referred to in the Affidavit of Jason Eckford sworn (or affirmed) before me at Vancouver, BC this 5 day of May 2021.

A Commissioner for Taking Affidavits for British Columbia

Exhibit B

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

Full Legal Name of Creditor: Creditor Name

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 9th 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:

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

This is Exhibit " C " referred to in the
Affidavit of Jason Eckford
sworn (or affirmed) before me at
Vancouver, BC
this 5 day of May 2021.

A Commissioner for Taking Affidavits for British Columbia

Exhibit C

EncoreFX Inc
List of Creditors

Creditor Name	Address	City	Province	Postal Code	Country
1190092 B.C. Ltd (Yossi Tamari)	48 - 7970 Cedar Village Crescent	North Vancouver	British Columbia	V7J 3M5	Canada
1504331 Alberta Inc	1403 154 Promenade Drive	Nanaimo	British Columbia	V9R 6Y3	Canada
2045662 Alberta Inc	Suite 610 700 2 St SW	Calgary	Alberta	T2P 2W1	Canada
49 North Lubricants Ltd	6611 45 Street	Leduc	Alberta	T9E 7E3	Canada
5M PFF Inc	4312 74 Avenue NW	Edmonton	Alberta	T6B 2K3	Canada
6035558 Canada Inc	150 Britannia Road East	Mississauga	Ontario	L4Z 2A4	Canada
6498779 Canada Inc	Unit 2 130 Dynamic Drive	Scarborough	Ontario	M1V 2C2	Canada
Advanced Flow Technologies Inc	6023 5th Street SE	Calgary	Alberta	T2H 1L5	Canada
AFD Petroleum Ltd	MILLER THOMSON LLP - Patrick Harnett/Br	Edmonton	AB	T5J 4G8	Canada
AgraCity Crop and Nutrition Ltd	320 22nd Street East	Saskatoon	Saskatchewan	S7K 0H1	Canada
Aim Plastic	8 Thompson Crescent	Erin	Ontario	N0B 1T0	Canada
All U Need Plastics Ltd	67 Westmore Dr Unit 2	Toronto	Ontario	M9V 3Y6	Canada
Alpha Equipment Ltd	Box 265	Craven	Saskatchewan	S0G 0W0	Canada
Alta Vista Homeowners Association Trujillo	553 54418 RR251	Sturgeon County	Alberta	T8T 0C7	Canada
Altafacts	100, 2417 51 Avenue SE	Calgary	Alberta	T2C 0A2	Canada
Amity Industrial Supply Ltd	8743 50 Ave NW	Edmonton	Alberta	T6E 5H4	Canada
Andreas Eberhard Wrede	Stikeman Elliott LLP - Lee Nicholson/Peter H	Toronto	ON	M5L 1B9	Canada
Andreas Wrede	Stikeman Elliott LLP - Lee Nicholson/Peter H	Toronto	ON	M5L 1B9	Canada
Andrew Sheret Purchasing Ltd	Suite 401 740 Hillside Ave	Victoria	British Columbia	V8T 1Z4	Canada
Angel Seafoods Ltd	8475 Fraser Street	Vancouver	British Columbia	V5X 3Y1	Canada
Apex Floral Distributors Toronto Limited	7065 Pacific Circle	Mississauga	Ontario	L5T 2H4	Canada
Arjazon Seed Trading Ltd	PO BOX 927	Fort Macleod	Alberta	T0L 0Z0	Canada
Armor Alloys Ltd	4515 Roper Road	Edmonton	Alberta	T6B 3S5	Canada
Associated Truckers Supply Canada Inc	No 108 44195 Yale Road West	Chilliwack	British Columbia	V2R 4H2	Canada
Atlas Graham Furgale Ltd	1725 Sargent Ave	Winnipeg	Manitoba	R3C 3R3	Canada
Atlas Polar Company Limited	60 Northline Rd	Toronto	Ontario	M4B 3E5	Canada
Aurelia Goldsmith Bullion Broker Ltd	2333 Albert Street	Regina	Saskatchewan	S4P 2V8	Canada
Avrupa Minerals Ltd	410 325 Howe Street	Vancouver	British Columbia	V6C 1Z7	Canada
Bank of Montreal	c/o Borden Lander Gervais LLP, 1200 Water	Vancouver	British Columbia	V7X 1T2	Canada
Belterra Corporation	1609 Derwent Way	Delta	British Columbia	V3M 6K8	Canada
Benson Group Inc	700 Education Road	Cornwall	Ontario	K6H 6B8	Canada
Biyork Materials Canada Inc	7400 Woodbine Ave 1	Markham	Ontario	L3R 1A5	Canada
Blue Moose Clothing Company Ltd	100 90 Sutherland Ave	Winnipeg	Manitoba	R2W 3C7	Canada
Brunswick Steel	125 Bismarck Street	Springfield	Manitoba	R5R 0H6	Canada
Business Furnishings (Sask.) Ltd	3533C Idylwyld Drive North	Saskatoon	Saskatchewan	S7L 6B5	Canada
Caffe Umbria Canada	107 618 East Kent Ave S	Vancouver	British Columbia	V5X 0B1	Canada
Calgary Peterbilt Ltd	11550 44 Street SE	Calgary	Alberta	T2Z 4A2	Canada
Campa Vista Homeowners Association Trujillo	553 54418 RR251	Sturgeon County	Alberta	T8T 0C7	Canada
Canada Revenue Agency	c/o Surrey National Verification and Collectior	Surrey	British Columbia	V3T 5E1	Canada
Canadian Vegan Supply Ltd	250 East Pender Street	Vancouver	British Columbia	V6A 1T7	Canada
Canadian Wood Fiber Ltd	514 1540 West 2nd Ave	Vancouver	British Columbia	V6J 1H2	Canada
Cascade Gear Inc	730 Alexander St	Vancouver	British Columbia	V6A 1E3	Canada
Cell Phone Parts Canada	6200 Dixie Road Unit 101	Mississauga	Ontario	L5T 2E1	Canada
Cellar Stock Importers Inc.	14019 101 Avenue	Edmonton	Alberta	T5N 0K2	Canada
Century Import and Export Inc	398 Ferrier Street	Markham	Ontario	L3R 1C9	Canada
Ceres Industries	Site 603 RR 6 Box 10	Saskatoon	Saskatchewan	S7K 3J9	Canada
CFR Chemicals Inc	340 521 3rd Ave SW	Calgary	Alberta	T2P 3T3	Canada
Chempoly Distribution Inc	Suite 238 100 111 5 Ave SW	Calgary	Alberta	T2P 3Y6	Canada
Chipping Hill Cattle Co Ltd	PO Box 779	MacGregor	Manitoba	R0H 0R0	Canada
Colya J Fire Services	Box 190	Allan	Saskatchewan	S0K 0C0	Canada
Continental Steel Corporation	Suite 1150 444 5th Ave SW	Calgary	Alberta	T2P 2T8	Canada
Corporate Security Supply	891 Century Street	Winnipeg	Manitoba	R3H 0M3	Canada
Criterium Group	Suite 1120 202 6 Ave SW	Calgary	Alberta	T2P 2R9	Canada
Crop Storage Canada Inc	3408 Tamarack Grove	Regina	Saskatchewan	S4V 2S6	Canada
CWT Victor Travel	8800 Dufferin Street Suite 101	Concord	Ontario	L4K 0C5	Canada
Daily Seafood Inc	135 Blake Street	Toronto	Ontario	M4J 3E2	Canada
Datasoft Global Technologies Inc	2750 14th Avenue	Markham	Ontario	L3R 0B6	Canada
Deca Cables Inc.	DLA Piper (Canada) LLP - Colin Brousson ; S	Vancouver	BC	V6C 2Z7	Canada
Delta Irrigation Products	444 Chilcotin Road	Kamloops	British Columbia	V2H 1G3	Canada
Devin Fitness Group Inc	No 116 6741 Cariboo Rd	Burnaby	British Columbia	V3N 4A3	Canada
Dingwall Guitars Inc	518B 44th Street East	Saskatoon	Saskatchewan	S7K 0W1	Canada
Don Jeremy Enright	9191 Ardmore Drive	North Saanich	British Columbia	V8L 5G4	Canada
Donald Eric John Calveley	1591 West Shawnigan Lake Rd	Shawnigan Lake	British Columbia	V0R 2W3	Canada
Dovre Import and Export Ltd	13931 Bridgeport Rd	Richmond	British Columbia	V6V 1J6	Canada
Drolet Holdings Ltd d.b.a Elite Promotional Marketing	3945 Quadra Street	Victoria	British Columbia	V8X 1J5	Canada
DT Powersports	8160 Lakeridge Road RR 3	Uxbridge	Ontario	L9P 1R3	Canada
Dymac Canada Inc	16 Castle Mountain Court	Nobelton	Ontario	L7B 0A3	Canada
Dyna Engineering Ltd.	McKechnie & Company - J. Cam McKechnie	Vancouver	BC	V6B 5L1	Canada
E and Y Fitness Supplies Ltd	267 Champagne Dr	North York	Ontario	M3J 2C6	Canada
Eager Beaver Forest Products Ltd	802-490 2nd Ave S	Saskatoon	Saskatchewan	S7N 4P6	Canada
EBYT Productions Inc	2400 Boundary Rd	Burnaby	British Columbia	V5M 3Z3	Canada
EcoSafe Zero Waste Inc	Unit 101 2076 192nd Street	Surrey	British Columbia	V3S 3M3	Canada
Ecosafe Zero Waste Inc.	MAGNUS LAW - Sanjeev Patro; 20424 Doug	Langley	BC	V3A 4B4	Canada
Eecol Electric Corp Regina	63 Sunpark Drive SE	Calgary	Alberta	S4N 0S4	Canada
Adam Jung	2554 Shakespeare St	Victoria	British Columbia	V8R 4G5	Canada
Aeisha Caracciolo	7308 East Saanich Road	Saanichton	British Columbia	V8M 1Y4	Canada
Aida Bariani	Unit 610 - 32 Trolley Crescent	Toronto	Ontario	M5A 0E8	Canada
Ailin Zhu	31-3987 Gordon Head Rd	Victoria	British Columbia	V8N 3X5	Canada
Alex Beacham	6405 Dines Place Nana	Nanaimo	British Columbia	V9T 6G8	Canada
Allison Gramlow	17 Weberlyn Crescent	Conestogo	Ontario	N0B 1N0	Canada
Amafel Gabutero	310 Berrigan Drive	Ottawa	Ontario	K2J 5B5	Canada
Amma Huang	#536 13733 107A Ave	Surrey	British Columbia	V3T 0B7	Canada
Amy Wright	2436 Rosedrop Path	Oshawa	Ontario	L1L 0L2	Canada
Andre Lapaine	202 Montgomery Road- Unit 1	Kitchener	Ontario	N2H 3P7	Canada
Andrew Stevens	139 Marion Street	Toronto	Ontario	M6R 1E6	Canada
Anil Aggarwal	1-355 Pauline Charron Place	Ottawa	Ontario	K1L 8L6	Canada
Ankit Degan	A-1, Jeevan Vihar Colony, Telibandha	Raipur	Chhattisgarh	492006	India
Anthony Hongzhi Zhang	3820 Shelbourne Street	Victoria	British Columbia	V8P 4H5	Canada
Anum Niazy	102-777 3rd Ave SW	Calgary	Alberta	T2P 0G8	Canada
Armeen Abbasi	42 Carringsby Landing NW	Calgary	Alberta	T3P 1L9	Canada
Aubrey Sawchyn	626 Atton Crescent	Saskatoon	Saskatchewan	S7W 0K4	Canada
Beenish Tariq	406 Wendron Cresent	Mississauga	Ontario	L3R 3H3	Canada
Bonnie Qu	2305 22nd Ave	Vancouver	British Columbia	V6L 1L8	Canada
Brad Evans	16 Woodlake Place	Sherwood Park	Alberta	T8A 4B4	Canada
Breanne Kuzma	905 Shearwater St.	Victoria	British Columbia	V9A 4V3	Canada
Cecila Watts	305-3223 Selleck Way	Victoria	British Columbia	V9C 0E7	Canada
Chad Grier	23 Pebble Valley Ave	Stoney Creek	Ontario	L8E 6E9	Canada
Chelsea Nworisa	859 University Drive	Saskatoon	Saskatchewan	S7N 0J8	Canada
Chris Mckeown	705-1950 Blanshard Street	Victoria	British Columbia	V8T 4J3	Canada
Chris Nicholson	2076 Hadfield Court	Burlington	Ontario	L7M 3V4	Canada
Chris Van Dyk	12 - 60 Dallas Rd	Victoria	British Columbia	V8V 1A2	Canada
Claude Gauthier	71 Gardenia Bay	Winnipeg	Manitoba	R2P 0Y6	Canada
Claudy Lall	2528 East Broadway, Suite 102	Vancouver	British Columbia	V5M 4V2	Canada
Cole Shoemaker	963 Lampson Pl	Victoria	British Columbia	V9A 5A2	Canada
Colette Miller	270 Queens Quay W, Apt 1705	Toronto	Ontario	MSJ 2N4	Canada
Conrad Hoekstra	592 Hillside Ave	Pembroke	Ontario	K8A 8G4	Canada
Craig Harris	218 Pichler Lane	Saskatoon	Saskatchewan	S7V 0G4	Canada
Cyril Dennis	406 Brookmore Crescent	Saskatoon	Saskatchewan	S7V 1C1	Canada
Daniel Wright	95 Highland Blvd	Caledonia	Ontario	N3W 2N9	Canada
Dave White	192 Rodney Cres.	Ottawa	Ontario	K1H 5J9	Canada
David Wachmann	4608-35 Mariner Terrace	Toronto	Ontario	M5V 3V9	Canada
Deanna Williams	Upper 1909 11 Ave SW	Calgary	Alberta	T3C 0N9	Canada
Deanne Schwartz	1018 Bellmont Cres	Saskatoon	Saskatchewan	S7V 1K7	Canada
Dev Dabas	155 Nordstrom Drive	Winnipeg	Manitoba	R3X 0A7	Canada

EncoreFX Inc
List of Creditors

Creditor Name	Address	City	Province	Postal Code	Country
Domenic Pepe	912-16 Laidlaw Street	Toronto	Ontario	M6K 1X2	Canada
Femi Bode-George	Apartment 902, 1215 5St SW	Calgary	Alberta	T2R 0Y6	Canada
Gareth Langdon	7870 Fairmeadow Place	Saanichton	British Columbia	V8M 1K8	Canada
Gareth Lindstrom	2431 Sarah Placo	Victoria	British Columbia	V9B 4L8	Canada
Gavin LeClaire	87-8763 Ash Grove Cres	Burnaby	British Columbia	V5A 4B8	Canada
Geeta Wadehra	1411-208 Queens Quay West	Toronto	Ontario	M5J 2Y5	Canada
Gianluca Privitera	711-23 Lascelles Blvd	Toronto	Ontario	M4V 2B9	Canada
Graham Thorkelson	#316 - 21 Conard Street	Victoria	British Columbia	V8Z 0C4	Canada
George Zhu	33 Burrard Crescent	Port Moody	British Columbia	V3H 4V8	Canada
Guneet Parmar	131 Squire Ellis Drive	Brampton	Ontario	L6P 4J4	Canada
Humaira Anwer	3448 Turnstone Dr	Victoria	British Columbia	V9C 2Y4	Canada
Ian Taylor	352 Tinson Road	Gabriola	British Columbia	V0R 1X1	Canada
Irene Sarno	2900 Battleford Road, Unit 1007	Mississauga	Ontario	L5N 2V9	Canada
Jade Suttie	2502 Kelvin Ave	Saskatoon	Saskatchewan	S7J 0T7	Canada
Jared Burns	178 Stonewood Dr	Carleton Place	Ontario	K7C 3P2	Canada
Jason Booth	22-1509 Glentana Rd	Victoria	British Columbia	V9A 7G3	Canada
Jason Cook	2005 Larson Road	North Vancouver	British Columbia	V7M 3A1	Canada
Jason Davies	15867 Alder Pl	Surrey	British Columbia	V4A 5J1	Canada
Jayna Doshi	599 Parade Drive	Stittsville	Ontario	K2S 0Y5	Canada
Jeff White	1080 Marigold Rd	Victoria	British Columbia	V8Z 4S2	Canada
Jennifer Clausen	404-1025 Meares Street	Victoria	British Columbia	V8V 3J7	Canada
Jennifer Lancaster	407-1049 Southgate St	Victoria	British Columbia	V8V 2Z1	Canada
Joel Cribby	104-1236 Pandora Ave	Victoria	British Columbia	V8V 3R4	Canada
Jon Josep	805-1211 Melville St	Vancouver	British Columbia	V6E 0A7	Canada
Jordan Bones	2316 Francis View Drive	Victoria	British Columbia	V9B 6C8	Canada
Julia Phillips	579 Broadway St	Victoria	British Columbia	V8Z 2G3	Canada
Kai Kovacik	729 Bethany Place	Sooke	British Columbia	V9Z 0S8	Canada
Kareem Abouelfotouh	1624 Derby Road	Victoria	British Columbia	V8P 1T7	Canada
Keith Pais	49 Sundown Terrace	Cochrane	Alberta	T4C 2M7	Canada
Kevin Neufeld	1763 Barrie Road	Victoria	British Columbia	V8N 2W4	Canada
Kresen Pillay	5 Everson Drive	North York	Ontario	M2N 7C3	Canada
Krista Hansen	454 15 Ave NE	Calgary	Alberta	T2E 4Z8	Canada
Krista Vallance	296 Sage Valley Dr NW	Calgary	Alberta	T3R 0J7	Canada
Kwanwoo (Kendrick) Lee	235-8288 207A St.	Langley	British Columbia	V2Y 0L2	Canada
Kyla Newberry	55 Panatella Manor NW	Calgary	Alberta	T5K 0A7	Canada
Kyle Chuang	203-2851 Heather St	Vancouver	British Columbia	V5Z 0A2	Canada
Kyle Morris	3115 Wascana Street	Victoria	British Columbia	V9A 1W4	Canada
Leah Brooks	5- 101 Ontario St	Victoria	British Columbia	V8V 1M8	Canada
Leo Ramos	1203 - 160 Wilson Street	Victoria	British Columbia	V9A 7P9	Canada
Leonardo Fonseca	402 - 494 Marsett Place	Victoria	British Columbia	V8Z 7J1	Canada
Lillian Cathcart	9268 Caistor Ctr.	Caistor Centre	Ontario	L0R 1E0	Canada
Linda DeLuca	1530 D'Amore Drive	LaSalle	Ontario	N9H 0A5	Canada
Lindsay Fitzmaurice	3723 Ridge Pond Drive	Victoria	British Columbia	V9C 4M8	Canada
Lucas Yaze Li	1872 Feltham Rd	Victoria	British Columbia	V8N 2A6	Canada
Lugesan Reddy	875 Transom Crescent	Victoria	British Columbia	L9T 8K7	Canada
Mark Dolden	#412-3255 Glasgow Ave	Victoria	British Columbia	V8X 4S4	Canada
Mark Wawrychuk	82 Eastgate Way	St. Albert	Alberta	T8N 7K1	Canada
Marlene Tripple	5186 Cordova Bay Rd	Victoria	British Columbia	V8Y 2K8	Canada
Masako Hegge	1764 Chandler Ave	Victoria	British Columbia	V8S 1N6	Canada
Matthew Gustavson	2810 Landsdowne Rd	Victoria	British Columbia	V8R 3P9	Canada
Melinda Cox	123 Rosseau Ave West	Winnipeg	Manitoba	R2C 1X1	Canada
Michael Stead	1727 163rd Street SW	Edmonton	Alberta	T6W 3P6	Canada
Milind Pradhan	22 Citadel Estates Hts NW	Calgary	Alberta	T3G 5E4	Canada
Nadeem Qureshi	801-70 Absolute Avenue	Mississauga	Ontario	L4Z 0A4	Canada
Nathan Dabush	189 Tansley Rd	Thornhill	Ontario	L4J 2Y8	Canada
Nicolai Strukoff	1201-835 View Street	Victoria	British Columbia	V8W 3W8	Canada
Nicole Hill	1501 Chasehurst Dr	Mississauga	Ontario	L5J 3A8	Canada
Nishant Mathew	3990 Gordon Head Road	Victoria	British Columbia	V8N 3X6	Canada
Paul Bregg	2905 Oriole St	Victoria	British Columbia	V8R 2W9	Canada
Paul John Pestaño	350 Douglas Street Apt. 1210	Victoria	British Columbia	V8V 2P5	Canada
Paul Lennox	10290 Tsaykum Drive	North Saanich	British Columbia	V8L 5T8	Canada
Pauline Mah	503 10235 - 101 St	Edmonton	Alberta	T5J 3G1	Canada
Przemyslaw Pawlak	208-2648 Graham Street	Victoria	British Columbia	V8T 3Y9	Canada
Quinn Kerkham	855 Union Street	Vancouver	British Columbia	V6A 2C5	Canada
Rahul Deb	1218 - 5 Everson Drive	Toronto	Ontario	M2N 7C3	Canada
Reetika Ballani Chakrabaty	93-16222 23A Avenue	Surrey	British Columbia	V3Z 6P4	Canada
Ritesh Pais	359 Coral Sands Terr NE	Calgary	Alberta	T3J 3K3	Canada
Rohan Chary	58 16061 85 Avenue	Surrey	British Columbia	V4N 4Y5	Canada
Ronnie Lee	1922 Francisco Terrace	Victoria	British Columbia	V8N 5H3	Canada
Rueben Rasiah	65-150 Fermanagh Avenue	Toronto	Ontario	M6R 1M3	Canada
Ryan Hesketh	19353 73A Ave	Surrey	British Columbia	V4N 5U1	Canada
Saadia Mohammed	11 Thatcher Street	Cambridge	Ontario	N3C 0C3	Canada
Samuel Manashirov	15 Brickstone Cir	Thornhill	Ontario	L4J 6L7	Canada
Sana Ali Khan	464 Trudeau Drive	Milton	Ontario	L9T 5K9	Canada
Sarah Clark	2330 Spring Rd	Victoria	British Columbia	V8T 5E7	Canada
Sean Gawley	3456 Robinson Street	Regina	Saskatchewan	S4S 1W1	Canada
Sean Ho	9-1509 Gelntana Rd	Victoria	British Columbia	V9A 7G3	Canada
Shannon Coffey	26 Georgian Street	Kitchener	Ontario	N2B 3N3	Canada
Shashank Bhardwaj	2869 Canyon Park Place	Victoria	British Columbia	V9B 4Z4	Canada
Shoko Yoshii	746 Violet Avenue	Victoria	British Columbia	V8Z 2R3	Canada
Stephan Kulchyk	20 Bonnylyn Dr	Kitchener	Ontario	N2M 1S6	Canada
Stuart Preston	12 Riding Park Place	Dundas	Ontario	L9H 0B1	Canada
Susan Harris	3115 Wascana Street	Victoria	British Columbia	V9A 1W4	Canada
Sydney Wilson	2345 Howard St	Victoria	British Columbia	V8R 4K8	Canada
Tamara Moran	12-8726 159 St	Surrey	British Columbia	V4N 0A5	Canada
Tanzil Rehman	506-1216 Johnson Street	Vicotria	British Columbia	V8V 3P1	Canada
Tom Myrick	6571 Arranwood Drive	Sooke	British Columbia	V9Z 0W4	Canada
Trevor Isfeld	3860 Brockton Place	North Vancouver	British Columbia	V7G 2E6	Canada
Tyler Moffat	103-439 Cook Street	Victoria	British Columbia	V8V 3Y2	Canada
Varun Dhaul	161 Lurline Avenue	Victoria	British Columbia	V8Z 1H7	Canada
Yoel Tewelde	504 7418 Byrnepark Walk	Burnaby	British Columbia	V3N 0B3	Canada
Zai Sheng Wei (David Wei)	7433 Government Road	Burnaby	British Columbia	V5A 2C5	Canada
Zi Yun Lei	2360 Treversh Common	Burlington	Ontario	L7R 0C8	Canada
Philip Gans	2827 Adelaide Ave	Victoria	British Columbia	V9A 2L3	Canada
EncoreFX Inc (NZ) Ltd c/o Ernst & Young Inc New Zealand (Trustee)	2 Takutai Square	Britomart	Auckland 1010	PO Box 2146	New Zealand
Ennis Fabrics	6111 91 Street NW	Edmonton	Alberta	T6E 6V6	Canada
Excalibur Plastics Ltd	1397 Road 3 East	Kingsville	Ontario	N0P 2G0	Canada
Factors Group of Nutritional Companies Inc	1550 United Boulevard	Coquitlam	British Columbia	V3K 6Y2	Canada
Farmbro Inc	4200 Sladeview Cres	Mississauga	Ontario	L5L 5Z2	Canada
Fiasco Gelato Café's Ltd	110 221 19 St SE	Calgary	Alberta	T2E 7M2	Canada
Food Supplies Distributing Company Inc	355 Rayette Rd	Concord	Ontario	L4K 2G2	Canada
Forpost Trade Inc	Unit 3 5145 Steeles Ave West	Toronto	Ontario	M9L 1R5	Canada
Fresh Direct Produce Ltd	888 Malkin Avenue	Vancouver	British Columbia	V6A 2K6	Canada
FRP Manufacturing 2010 Inc	Box 220	Asquith	Saskatchewan	T2C 1W3	Canada
G Force Diesel Service Ltd	Box 1040	Lloydminster	Saskatchewan	S9V 1E9	Canada
Galvanic Corrosion Technologies Inc	474 Dovercourt Dr	Winnipeg	Manitoba	R3Y 1G4	Canada
Gamble Technologies Limited	6535 Millcreek Dr Unit 71	Mississauga	Ontario	L5N 2M2	Canada
Gameday Sports Marketing	415 Victoria Ave	Regina	Saskatchewan	S4N 0P7	Canada
GFS Projects	2 317 Adolph Drive	Regina	Saskatchewan	S4K 0A3	Canada
Gigi Importing Limited	35 Armthorpe Road	Brampton	Ontario	L6T 5M4	Canada
Glenmor Equipment LP	Box 514	Prince Albert	Saskatchewan	S6V 5T2	Canada
GLP Worldwide Expeditions Travel and Tours	1211 Denison Street Unit 26	Markham	Ontario	L3R 4B3	Canada
GMR Electric Motors Ltd	817 46th Street East	Saskatoon	Saskatchewan	S7K 0X2	Canada
GoPon IT Solutions (George Zhu)	33 Burrard Crescent	Port Moody	British Columbia	V3H 4V8	Canada

EncoreFX Inc
List of Creditors

Creditor Name	Address	City	Province	Postal Code	Country
Great Hom Galleries Inc	3501 Saanich Road	Victoria	British Columbia	V8X 1W9	Canada
Great Northern Growers Inc.	McDOUGALL GAULEY LLP - Craig Frith; 50	Saskatoon	SK	S7H 0J6	Canada
Greatario Engineered Storage Systems	715647 Oxford County Road 4	Innerkip	Ontario	N0J 1M0	Canada
GT Performance Ltd	3533 B Idylwyld Dr N	Saskatoon	Saskatchewan	S7L 6B5	Canada
Guard Me International Insurance	80 Allstate Parkway	Markham	Ontario	L3R 6H3	Canada
Gustavson Capital Corporation	715647 Oxford County Road 4; Innerkip	Victoria	BC	V8W 2E1	Canada
H J S Wholesale Ltd	Box 2 Group 582 RR 5	Winnipeg	Manitoba	R5R 0J5	Canada
H Y C Design Inc (HD Imports)	21 131 Whitmore Road	Woodbridge	Ontario	L4L 6E4	Canada
HairCandy Inc	11723 145 Ave	Edmonton	Alberta	T5X 1M2	Canada
Halchemix Canada Inc	240 Mary Street	Port Perry	Ontario	L9L 1B7	Canada
Harmony Juvenile Products	2435 rue Guenette	Montreal	Quebec	H4R 2E9	Canada
Hesira Med Inc	200 60 Atlantic Ave	Toronto	Ontario	M6K 1X9	Canada
High Caliber Line of Canada Inc	Unit 206 15272 Croydon Drive	Surrey	British Columbia	V3Z 0Z5	Canada
Horizon Impex Ltd	601 2001 Cornwall Street	Regina	Saskatchewan	S4P 3X9	Canada
Hotel Equipment and Supply Company 2006 Limited	13421 St Albert Trail	Edmonton	Alberta	T5L 4X1	Canada
Insight Analytical Solutions Inc	3202 12th Avenue NE	Calgary	Alberta	T2A 6N8	Canada
Inspire Imports	5230 Finch Avenue East Unit 2	Scarborough	Ontario	M1S 4Z9	Canada
Intellijoint Surgical Inc	60 Bathurst Drive	Waterloo	Ontario	N2V 2A9	Canada
Ironworks Industries Inc	152 Highway 2	Saint Claude	Manitoba	R0G 1Z0	Canada
Jade Fine Foods Ltd	201 1497 Admirals Road	Victoria	British Columbia	V9A 2P8	Canada
Jeffery Alan Rothman	316 York Hill Blvd	Thornhill	Ontario	L4J 3B6	Canada
Jeremy Gregoire	Law Offices of Riley & Hurley, P.C. - Elyse He	Dearborn	MI	48124-2066	USA
John A. McAfee	N/A; 772 Highpointe Place	Kelowna	BC	V1V 2Y3	Canada
John Watson Ltd	7955 North Fraser Way	Burnaby	British Columbia	V5J 0A4	Canada
K and D Pratt Group Inc	126 Glencoe Drive	Mount Pearl	Newfoundland and Labrador	A1N 4S9	Canada
Kams Growers Supply Inc	Unit 2 32 Airpark Place	Guelph	Ontario	N1L 1B2	Canada
Kastor Energy Ltd	1641 Welch Street	North Vancouver	British Columbia	V7P 3G9	Canada
KB Financial Solutions	3127 Quail Drive	Ottawa	Ontario	K1T 1T9	Canada
Kelln Solar 2016 Inc	Box 94	Lumsden	Saskatchewan	S0G 3C0	Canada
Kickboard Canada Inc	19 Curity Ave Unit 9	East York	Ontario	M5P 2A7	Canada
Kimia Distributors Canada KDC	28551 Willingdon Heights	Burnaby	British Columbia	V6V 1K9	Canada
Kinsmen Club of Edmonton	9150 Walterdale Hill	Edmonton	Alberta	T6E 2V3	Canada
KPMG LLP	800-730 View Street	Victoria	British Columbia	V8W 3Y7	Canada
KS Batteries Inc	815 51St Street East	Saskatoon	Saskatchewan	S7K 0X7	Canada
KSW Holdings Inc	Box 353	Hepburn	Saskatchewan	S0K 1Z0	Canada
L R Trading Company Inc	380 Tapscott Rd Unit 4	Toronto	Ontario	M1B 2Y8	Canada
Lamb Cattle Company Ltd	14027 Township Road 264	Rocky View County	Alberta	T4B 3L5	Canada
Lazboy Furniture Galleries	760 Wharncliffe Road South	London	Ontario	N6J 2N4	Canada
LDF Frozen Foods Inc	440 Limestone Cres	Toronto	Ontario	M6J 2S4	Canada
Legacy Bus Sales Ltd	4003 Brodsky Ave	Saskatoon	Saskatchewan	S7P 0C9	Canada
Len Thompson Lures	5860 Len Thompson Dr	Lacombe	Alberta	T4L 1E7	Canada
Lesco Distributors Inc	12207 154 Street	Edmonton	Alberta	T5V 1J3	Canada
Liberty Specialty Imports Inc	100 291 East 2nd Avenue	Vancouver	British Columbia	V5T 1B8	Canada
Lion Hardware Ltd	64 Grondin St	Saint Jacques	New Brunswick	E7B 1J6	Canada
Living Books Inc	409 Railway Avenue	Borden	Saskatchewan	S0K 0N0	Canada
Lowfoot Inc	585 Dundas St E Suite 300	Toronto	Ontario	M5A 2B7	Canada
M D CHARLTON CO LTD	Unit E 2200 Keating Cross Road	Victoria	British Columbia	V8M 2A6	Canada
Machine and Product Design Inc	136085 196 Ave West	Foothills	Alberta	T1S 2W2	Canada
Macquarie Bank	Blake, Cassels & Graydon LLP - Kristin Adler	Toronto	Ontario	M5L 1A9	Canada
Maddies Natural Pet Products Ltd	6655 Dennett Place	Delta	British Columbia	V4G 1N4	Canada
Mainmast International Ltd	81 Codlin Street	Markham	Ontario	L3S 3S5	Canada
Market Tire 1976 Ltd	115 Idylwyld Cres	Saskatoon	Saskatchewan	S7M 1L4	Canada
Mavericks VFX	181 Carlaw Avenue Suite 264	Toronto	Ontario	M4M 2S1	Canada
Maxim Truck and Trailer	Box 42 GRP 200 R R 2	Winnipeg	Manitoba	R3C 2E6	Canada
McClelland Premium Imports Incorporated	8 5750 Timberlea Blvd	Mississauga	Ontario	L4W 5N8	Canada
Mccoy Ag Supply	Box 479	Milestone	Saskatchewan	S0G 3L0	Canada
McLean Lumber Sales Alberta Ltd	5717 84 Street SE	Calgary	Alberta	T2C 4R9	Canada
Meadow Valley Meats Ltd	8966 Nowell Street	Chilliwack	British Columbia	V2P 4W8	Canada
Mennie Canada Limited	111 Advance Blvd	Brampton	Ontario	L6T 4HB	Canada
Metalfab Ltd	847 Central Street	Centreville	New Brunswick	E7K 2E8	Canada
Metropolitan Hardwood Floors Inc	811 Cliveden Ave	Delta	British Columbia	V3M 5R6	Canada
Mex Y Can Trading East Inc	6799 Pacific Circle Unit 4	Mississauga	Ontario	L5T 1S6	Canada
Mex Y Can Trading East Inc.	EDWARDS, KENNY & BRAY LLP - Daniel G	Vancouver	BC	V6E 4H3	Canada
Michel Dechaine	26-61212 Range Road 463	Bonnyville	Alberta	T9N 2H6	Canada
Microb Resources Inc	105 3551 Viking Way	Richmond	British Columbia	V6V 1W1	Canada
Mid Plains Implements Ltd	Box 610	Carberry	Manitoba	R0K 0H0	Canada
MineSense Technologies Ltd	100 8365 Ontario St	Vancouver	British Columbia	V5X 3E8	Canada
Ministry of Finance	PO Box 9445 Stn Prov Govt	Victoria	British Columbia	V8W 9V5	Canada
MMD Sales Ltd	17104 118 Ave	Edmonton	Alberta	T5S 2L7	Canada
Mobilia Interiors Inc	2525 boul des Sources	Pointe Claire	Quebec	H9R 5Z9	Canada
Mont Laurier Foods Inc	1015 Clark Drive	Vancouver	British Columbia	V5L 3K1	Canada
Multiculture Marketing Inc	504 Iroquois Shore Road Unit 8	Oakville	Ontario	L6H 3K4	Canada
Murray Bros Lumber Company Limited	PO Box 70	Madawaska	Ontario	K0J 2C0	Canada
Nash Jewellers	Foreman & Company - Jonathan Foreman; 4	London	ON	N6A 1E2	Canada
New Era Janitorial Services	Box 9662	Saskatoon	Saskatchewan	S7K 7G5	Canada
Northern Platforms Ltd	7104 39 Street	Leduc	Alberta	T9E 0R8	Canada
Northfield IT Inc	600 161 Portage Ave E	Winnipeg	Manitoba	R3B 0Y4	Canada
Norwich Packers Ltd	11 Robson Street	Norwich	Ontario	N0J 1P0	Canada
Novatec Process Systems Inc	Unit B 19214 94th Avenue	Surrey	British Columbia	V4N 4E3	Canada
Nuance Winery Supplies Inc	261 Martindale Road Unit 1	St. Catharines	Ontario	L2W 1A1	Canada
Ocean Food Company Limited	3 Turbina Avenue	Scarborough	Ontario	M1V 5G3	Canada
Odyssey Interactive Ltd	5th Floor, 24 Mount St	Manchester		M2 3NN	United Kingdom
Omnae Technologies Inc	810 Quayside Drive, Suite 201	New Westminster	British Columbia	V3M 6B9	Canada
Ontario Sarracini Travel Ltd	Unit 55 3175 Rutherford	Vaughan	Ontario	L4K 5Y6	Canada
Opus Floors Canada Corp	1330 Hastings Crescent SE	Calgary	Alberta	T2G 4C8	Canada
Orion Taxidermy Ltd	1175 Athabasca St E	Moose Jaw	Saskatchewan	S6H 0N4	Canada
Oxfam Canada	39 McArthur Avenue	Ottawa	Ontario	K1L 8L7	Canada
P Ridge Farms Ltd	405 2 St E	Foremost	Alberta	T0K 0X0	Canada
Pacific Rim Trailer Sales Inc	3573 Island Highway South	Courtenay	British Columbia	V9N 9T8	Canada
Pacific Specialty Brands Co ULC	7595 Lowland Drive	Burnaby	British Columbia	V5J 5L1	Canada
Pacific Veterinary Sales Limited	34079 Gladys Avenue	Abbotsford	British Columbia	V2S 2E8	Canada
Park Lake Welding and Manufacturing Ltd	Box 962	Coalhurst	Alberta	T0L 0V0	Canada
Peavey Industries LP	7740 40th Avenue	Red Deer	Alberta	T4P 2H9	Canada
Penta Completions Supply and Services Ltd	9543 56 Avenue	Edmonton	Alberta	T6E 0B2	Canada
Petals West Inc	1 975 Sherwin Road	Winnipeg	Manitoba	R3H 0T8	Canada
Peterbilt Manitoba Ltd	1895 Brookside Boulevard	Winnipeg	Manitoba	R2R 2Y3	Canada
Peterbilt Pacific Inc	19470 96th Avenue	Surrey	British Columbia	V4N 4C2	Canada
Podium Imports Ltd	P O BOX 1154	Penticton	British Columbia	V2A 3L7	Canada
Polypak Distributors Limited	1632 West 75th	Vancouver	British Columbia	V6P 6G2	Canada
Pontek Flooring Distribution Ltd	Suite 1020 2633 Simpson Road	Richmond	British Columbia	V6X 0B9	Canada
Power and Mine Supply Company Limited	Unit 4 75 Meridian Drive	Winnipeg	Manitoba	R2R 2V9	Canada
Powerhouse Building Solutions 2009 Inc	204 19099 25 Ave	Surrey	British Columbia	V3Z 3V2	Canada
Premium Home Leisure	101 Idylwyld Drive South	Saskatoon	Saskatchewan	S7M 1L4	Canada
Pro Ice Management Group Inc	420 5 Donald St	Winnipeg	Manitoba	R3L 2T4	Canada
Product Line Holdings and Logistics Ltd	Suite 180 19288 22nd Ave	Surrey	British Columbia	V3Z 3S6	Canada
Progressive Software International Inc	3315 Marentette Avenue	Windsor	Ontario	N8X 4G3	Canada
Prowide International S.A.	9 rue des Trois Cantons,	Windhof	-	L-8399	Luxembourg
PRS Plastic and Rubber Solutions Limited	1 805 56th Street East	Saskatoon	Saskatchewan	S7K 5Y9	Canada
Qualichem Industrial Products Ltd	8042 Winston Street	Burnaby	British Columbia	V5A 2H5	Canada
Railtown Apparel Group Ltd	730 Alexander St	Vancouver	British Columbia	V6A 1E3	Canada
Rakla Tires Inc	Musa Suleman Management Consul 93 Skyw	Etobicoke	Ontario	L5L 2T2	Canada
Ransom Cattle Co Ltd	BOX 608	Boissevain	Manitoba	R0K 0E0	Canada
Ray Thouin Enterprises Inc	730 Alexander St	Vancouver	British Columbia	V6A 1E3	Canada
RCAP Leasing	5575 North Service Road, Suite 300	Burlington	Ontario	L7L 6M1	Canada

EncoreFX Inc
List of Creditors

Creditor Name	Address	City	Province	Postal Code	Country
Redco Equipment Sales Ltd	8743 50 Ave NW	Edmonton	Alberta	T6E 5H4	Canada
RenewABILITY Energy Inc	500 Trillium Drive Unit 21	Kitchener	Ontario	N2R 1E5	Canada
Robertson Implements	2464 South Service Road West	Swift Current	Saskatchewan	S9H 5J8	Canada
Rocking U Feeders	P O Box 779	MacGregor	Manitoba	R0H 0R0	Canada
Rogers Communications Canada Inc	PO Box 2514, Station B	London	Ontario	N6A 4F9	Canada
Rose Delta Developments 2008 Ltd	4911 68 Avenue	Edmonton	Alberta	T6B 3S4	Canada
RxSource Corp	74 556 Edward Ave	Richmond Hill	Ontario	L4C 9Y5	Canada
S3 Enterprises Inc	2180 Oman Drive	Swift Current	Saskatchewan	S9H 3V5	Canada
Saskatchewan Jazz Festival Inc	701-601 Spadina Cres East	Saskatoon	Saskatchewan	S7K 3G8	Canada
SBI Fine Chemicals Inc	1803 94 St NW	Edmonton	Alberta	T6N 1E6	Canada
Scott Ryan Hislop	92 34 Ave SW	Calgary	Alberta	T2S 3B5	Canada
SDMC Ag Inc	5001 46th Street	Camrose	Alberta	T4V 3G3	Canada
SEBO Canada	Unit 123 18 Highland Park Way NE	Airdrie	Alberta	T4A 0R1	Canada
Seda Seating Ltd	5035 North Service Rd	Burlington	Ontario	L7L 5V2	Canada
Sergei Glebov	9935 86 Ave NW	Edmonton	Alberta	T6E 2L8	Canada
Service Canada[1]	1263 West Broadway	Vancouver	British Columbia	V6H 1G7	Canada
Shatex Manufacturing Corp	8089 River Way	Delta	British Columbia	V4G 1L3	Canada
Silk Tire Inc	216 Hwy 38 North	Kelvington	Saskatchewan	S0A 1W0	Canada
Smarteyes Direct Inc	7755 Warden Ave Suite 1	Markham	Ontario	L3R 0N3	Canada
Solar Wholesaler Ltd	1 1825 32 Ave NE	Calgary	Alberta	T2E 7C8	Canada
Song Xing Trading Co Ltd	410 Passmore Ave Unit 1 4	Scarborough	Ontario	M1V 5C3	Canada
Sparkes Corn Barn	10720 McGrath Road	Rosedale	British Columbia	V0X 1X0	Canada
Specht Canada Inc	51230 RR15	Parkland County	Alberta	T7Y 2E9	Canada
Spot Travel Inc	8700 McKim Way Suite 3173	Richmond	British Columbia	V6X 4A5	Canada
Stephen James Kralik	44 Mathersfield Drive	Toronto	Ontario	M4W 3W5	Canada
Stephen Lewis Foundation	260 Spadina Avenue Suite 100	Toronto	Ontario	M5T 2E4	Canada
Storagepipe Solutions Inc.	95 St. Clair Avenue West Suite 1403	Toronto	Ontario	M4V 1N6	Canada
Stordor Investments Ltd	11703 160 Street	Edmonton	Alberta	T5M 3Z3	Canada
Storm Guard Water Treatment Inc	1080 Page Street	Richmond	British Columbia	V6V 2Y3	Canada
Strategyworks Corp	8373 Edgevalley Dr NW	Calgary	Alberta	T3A 4X6	Canada
Sunco Communication and Installation Ltd	18961 111 Avenue	Edmonton	Alberta	T5S 2X4	Canada
Superform Products Ltd	Box 2696	Pincher Creek	Alberta	T0K 1W0	Canada
Superior Forklift Ltd	Box 26010 Northgate RPO	Regina	Saskatchewan	S4R 8R7	Canada
Sutton Road Marking Ltd	2 2153 192nd Street	Surrey	British Columbia	V3Z 3X2	Canada
Swift S.c.	Avenue Adele 1	La Hulpe	Belgium	1310	Belgum
Tail Creek Productions Inc	NE 34 39 2 W5	Bentley	Alberta	T0C 0J0	Canada
Tareq Shehadeh	105-1090 Johnson Street	Victoria	British Columbia	V8V 0B3	Canada
Target Cattle Concepts	Box 141	Weyburn	Saskatchewan	S4H 2J9	Canada
Team Eagle Ltd	10 Trent Drive	Campbellford	Ontario	K0L 1L0	Canada
The Authentic T Shirt Company ULC	850 West Kent Avenue South	Vancouver	British Columbia	V6P 3G1	Canada
The Boat Warehouse Inc	2157 Bath Road	Kingston	Ontario	K7M 4Y3	Canada
The Flower Factory	1 975 Sherwin Road	Winnipeg	Manitoba	R3H 0T8	Canada
The Premium Tool and Abrasive Co Ltd	10761 181 Street NW	Edmonton	Alberta	T5S 1N3	Canada
The Scuderia 46	1 2390 Drew Rd	Mississauga	Ontario	L5S 1B8	Canada
The Smoker Broker	415 Trimble Cres	Saskatoon	Saskatchewan	S7W 0E1	Canada
The Truck Outfitters Inc.	6537 Gateway Blvd	Edmonton	Alberta	T6H 2J1	Canada
Think Communications Inc	240 - 1555 McKenzie Avenue	Victoria	British Columbia	V8N 1A4	Canada
Timberstone Distribution Saskatoon	3703 Arthur Rose Ave	Saskatoon	Saskatchewan	S7P 0C7	Canada
Tingleys Harvest Center	SE 2 50 2 W4M	Lloydminster	Alberta	T9V 3A3	Canada
Titan Environmental Containment Ltd	777 Quest Blvd	Ile des Chenes	Manitoba	R0A 0T1	Canada
Toee Tire North America Inc	21 22 447 Speers Road	Oakville	Ontario	L6H 2P9	Canada
Top One International Ltd	Unit 1 275 Milliken Blvd	Toronto	Ontario	M1V 3H3	Canada
Trade West Equipment Ltd	1122 Hamilton Street	Regina	Saskatchewan	S4R 2B2	Canada
Travelers Canada	650 West Georgia	Vancouver	British Columbia	V6B 4N7	Canada
TriForest Inc	297 Idema Rd Unit 1	Markham	Ontario	L3R 1A2	Canada
Triovest Realty Advisors	Suite 300, 1100 1 Street S.E	Calgary	Alberta	T2G 1B1	Canada
Triton Animal Supplies Inc	50148 Range Road 231	Leduc County	Alberta	T0B 3M3	Canada
Tropica Aquarium Plants Ltd	837 3rd Street West	North Vancouver	British Columbia	V7P 3K7	Canada
Tuberosum Technologies Inc	PO Box 35	Broderick	Saskatchewan	S0H 0L0	Canada
Unclaimed Funds (Can)	517 Fort Street	Victoria	British Columbia	V8W 1E7	Canada
United Tool Supply Ltd	9651 49th Ave	Edmonton	Alberta	T6E 5Z5	Canada
Venlaw Manufacturing Ltd	PO Box 456	Watson	Saskatchewan	S0K 4V0	Canada
Vine Productions Inc.	Whitelaw Twining Law Corp. - John Fiddick; :	Vancouver	BC	V6C 1S4	Canada
Visscher Lumber Inc	6545 Lickman Road	Chilliwack	British Columbia	V2R 4A9	Canada
Vivid Produce Inc	535 88 Avenue SE	Calgary	Alberta	T2H 1T9	Canada
W and J Wilson Limited	1221 Governement Street	Victoria	British Columbia	V8W 1Y7	Canada
Wabash Canada	10 Forwell Road	Kitchener	Ontario	N2B 3E7	Canada
Warkov Safeer Leather Ltd	462 Hargrave Street	Winnipeg	Manitoba	R3Y 0H2	Canada
Waterloo Brewing Co	400 Bingemans Centre Dr	Kitchener	Ontario	N2B 3X9	Canada
Webooook Information Technology Inc.	DLA Piper (Canada) LLP - Colin Brousson ; S	Vancouver	BC	V6C 2Z7	Canada
Webooook Information Technology Limited	20 East Wilmot St	Richmond Hill	Ontario	L4B 1C8	Canada
Wentworth Ag 2003 Inc	Box 509	Winkler	Manitoba	R6W 4A7	Canada
Wes Tech Irrigation Systems Ltd	Unit 5 625 Alpha St	Victoria	British Columbia	V8Z 1B5	Canada
West Coast Beauty Company 1997 Ltd	108 6741 Cariboo Road	Burnaby	British Columbia	V3N 4A3	Canada
Western Gym and Recreational Supplies Ltd	4960 13 St SE	Calgary	Alberta	T2G 5M9	Canada
Western Sales 1986 Ltd	Box 968	Rosetown	Saskatchewan	S0L 2V0	Canada
Winnipeg Pants and Sportswear Mfg Ltd	85 Adelaide Street	Winnipeg	Manitoba	R3A 0V9	Canada
World Expeditions Monde Ltd	47 William St	Ottawa	Ontario	K1N 6Z9	Canada
WR Display and Packaging	500 Higgins Ave	Winnipeg	Manitoba	R3A 0B1	Canada
Yokohama Tire Canada Inc	500 9325 200 Street	Langley	British Columbia	V1M 3A7	Canada
Yorkton Aircraft Service Ltd	Box 1604	Yorkton	Saskatchewan	S3N 3L2	Canada
Youneed Enterprises Ltd.	130-4231 Hazelbridge Way	Richmond	British Columbia	V6X 3L7	Canada
Youngs Equipment Inc	Box 3117	Regina	Saskatchewan	S4P 3C7	Canada

Appendix D

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

FIRST AMENDMENT TO

PLAN OF COMPROMISE AND ARRANGEMENT OF ENCOREFX INC.

WHEREAS EncoreFX Inc. ("**EncoreFX**") is insolvent;

AND WHEREAS on March 30, 2021 EncoreFX obtained an Order from the British Columbia Superior Court ("**Court**") granting EncoreFX creditor protection pursuant to the provisions of the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the "**CCAA**"), and Ernst & Young Inc. was appointed by the Court as the monitor of EncoreFX ("**Monitor**");

AND WHEREAS EncoreFX appended a plan of compromise and arrangement (the "**Original Plan**") as Appendix "B" to an Order granted by the Court on April 8, 2021 authorizing a meeting of EncoreFX's creditors for the purpose of voting on the Original Plan (the "**Creditors Meeting Order**");

AND WHEREAS in accordance with paragraph 8 of the Creditors Meeting Order and Section 10.1 of the Original Plan, the Monitor wishes to make minor amendments to the Original Plan as follows:

i. at Section 5.1 and Subsection 5.2(c) in order to clarify the manner in which certain Convenience Creditors (as defined in the Original Plan at paragraph 5(c)) are treated in respect of same; and

ii. at Appendix "A" in respect of the definition of Service List.

NOW THEREFORE the Monitor hereby presents this First Amendment to the Original Plan under and pursuant to the provisions of the CCAA.

AMENDMENTS TO ORIGINAL PLAN

1. Remove Section 5.1 of the Original Plan in its entirety and replace same with the following:

   5.1 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 who is not a Convenience Creditor (as defined below) 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.

2. Remove Subsection 5.2(c) of the Original Plan in its entirety and replace same with the following:

   5.2(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. First, for those GUCs who are owed $5,000 or less and who will be paid in full in respect of their Proven Claims, and second, 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 Proven Claims (collectively, the "**Convenience**

Creditors"), then in each such case the Convenience Creditors shall be deemed to have voted in favour of the Plan. For clarity, GUCs who are owed $5,000 or less shall be automatically and irrevocably deemed to: (i) be Convenience Creditors and (ii) 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.

3. Remove the definition of Service List at Appendix "A" of the Original Plan and replace it with the following:

   "**Service List**" means the list of creditors appended as Schedule "A" to the Petition to the Court filed March 11, 2021, as may be amended by the Monitor from time to time, a copy of which is posted to the Monitor's website: www.ey.com/ca/EncoreFX;

4. All other provisions of the Original Plan remain unchanged.

Dated at Vancouver, British Columbia on April 27, 2021.

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

Per: ________________________________
Mike Bell, CPA, CA, CIRP, LIT
Senior Vice President

Appendix E

Ernst & Young Inc.
700 West Georgia Street
Vancouver, BC V7Y 1C7

Tel: +1 604 891 8200
Fax: +1 604 899 3530
ey.com

Building a better working world

April 27, 2021

To: The Affected Creditors of EncoreFX Inc. ("EncoreFX") with claims of $5,000 or less (the "Below $5,000 Convenience Creditors")

RE: Notice of Amendment to the Plan of Compromise and Arrangement under the *Companies' Creditors Arrangement Act (the "CCAA")* dated April 6, 2021 (the "Plan")

Court File No. S212302

The purpose of this letter is to inform you of an amendment to the Plan (the "**Amended Plan**") to clarify the filing and voting requirements of the Affected Creditors of EncoreFX who qualify as Below $5,000 Convenience Creditors.

Pursuant to the Plan, the Below $5,000 Convenience Creditors are eligible to receive a distribution of 100% of their claim amount upon approval of the Plan by the Affected Creditors and the Supreme Court of British Columbia (the "**Court**"). However, for purposes of voting on the Plan, the Plan requested the Below $5,000 Convenience Creditors to submit Creditor Convenience Forms with Ernst & Young Inc. (the "**Monitor**") prior to May 5, 2021.

Pursuant to the Amended Plan, the Below $5,000 Convenience Creditors are deemed to vote in favour of the Amended Plan and are not required to submit Creditor Convenience Forms with the Monitor. The Below $5,000 Convenience Creditors will receive a distribution of 100% of their claim amount, in full and final satisfaction of their claim against EncoreFX, upon the approval of the Amended Plan by the Affected Creditors and the Court.

Attached to this letter is a copy of the First Amendment to the Plan and a separate document showing the track changes to the Plan as contained in the First Amendment to the Plan.

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

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

Per:

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

Appendix F

EncoreFX (Australia) Pty Ltd
Proof of Claim

Proof of Claim Form

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

1. PARTICULARS OF CREDITOR

(a) Full Legal Name of Creditor:

EncoreFX (Australia) Pty Ltd (In Liquidation)

(the “**Creditor**”).

(b) Full Mailing Address of the Creditor:

EY Centre, 200 George Street, Sydney NSW 2000

(c) Other Contact Information of the Creditor:

Telephone Number: +61 401 622 766

E-mail Address: adam.nikitins@au.ey.com; michael.lawless@au.ey.com

Facsimile Number: N/A

Attention (Contact Person): Adam Nikitins

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)

N/A

3. PROOF OF CLAIM

THE UNDERSIGNED HEREBY CERTIFIES AS FOLLOWS:

That I:

☐ am a Creditor of EncoreFX; OR

☒ am

a Joint and Several Liquidator
(state position or title)

of

EncoreFX (Australia) Pty Ltd (In Liquidation)
(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:

$17,076,627.08 CAD

4. NATURE OF CLAIM

☒ **A. UNSECURED CLAIM OF** $17,076,627.08 CAD
That in respect of this debt, I do not hold any assets of the debtor as security and
☒ Regarding the amount of $17,076,627.08 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:

N/A

5. PARTICULARS OF THE CLAIM

(a) The creditor, EncoreFX (Australia) Pty Ltd (the "**Subsidiary**"), was incorporated on 23 July 2015.

(b) The debtor, EncoreFX Inc. ("**EncoreFX**"), is and always has been the Subsidiary's sole shareholder.

(c) The Subsidiary was appointed by EncoreFX to distribute EncoreFX's foreign exchange risk management services (including the provision of financial products such as spot, forward, or option contracts) (the "**Services**") to customers on a non-exclusive basis within the country of Australia.

(d) The intercompany relationship between the Subsidiary and EncoreFX is subject to an intercompany distribution and indemnity agreement (the "**IDA**") and an intercompany services agreement (the "**ISA**"), each dated 1 January 2018.

(e) Pursuant to the IDA, EncoreFX agreed, among other things, to (a) manage all market and liquidity risk associated with the sale of the Services in Australia; (b) assume all the risk and obligations of the foreign exchange contracts entered into by the Subsidiary with its customers (the "**Customer Contracts**") so long as the Subsidiary followed company policies and procedures; (c) indemnify and save harmless the Subsidiary from any and all liability that may arise in connection with Customer Contracts; and (d) provide the Subsidiary with financial and capital adequacy support required to meet legislated requirements for carrying on a global payment business in Australia. Under the terms of the IDA, EncoreFX received a variable fee for the Services provided and distributed by the Subsidiary. A copy of the IDA is attached as **Schedule "A"**.

(f) Pursuant to the ISA, EncoreFX agreed to provide to the Subsidiary general, administrative, and strategic management services. A copy of the ISA is attached as **Schedule "B"**.

(g) The Subsidiary was entirely dependant on EncoreFX for its operations since its incorporation. In particular, EncoreFX performed treasury functions for the Subsidiary and, to enable the Subsidiary to fulfill its contractual obligations under Customer Contracts, EncoreFX periodically swept funds held in the Subsidiary's client settlement account and then made payments to the Subsidiary's customers in discharge of the Subsidiary's obligations under the relevant Customer Contracts.

(h) On 30 March 2020, the Subsidiary's directors resolved that the Subsidiary was insolvent or likely to become insolvent at some future time and voluntarily appointed administrators under the Australian *Corporations Act 2001* (Cth). The Subsidiary went into liquidation on 13 May 2020 (the "**Liquidation**").

(i) In accordance with the laws of Australia, the liquidators (the "**Liquidators**") of the Subsidiary in the Liquidation have called for and received proofs of debt or claim ("**PODs**") with respect to (among other things) Customer Contracts.

(j) A summary of the PODs submitted by the Subsidiary's creditors with respect to Customer Contracts in the Liquidation, totalling CAD$17,076,627.08 in the aggregate (the "**Claimed Amount**"), is attached as **Schedule "C"**.

(k) The Claimed Amount was converted from Australian Dollars (AUD) to Canadian Dollars (CAD) as of 30 March 2020 at the exchange rate of 1 AUD = 0.8682000 CAD.

(l) The Claimed Amount claimed by the Subsidiary against EncoreFX is valued as being equal to the claims made by the Subsidiary's customers against the Subsidiary in the Liquidation under the Customer Contracts.

(m) The legal basis upon which the Claimed Amount is valued and recoverable by the Subsidiary from EncoreFX is set out in sections 5.1 and 5.2 of the IDA, as follows:

5.1 Assumption of Risk of Subsidiary's Customer Contracts by EncoreFX

Provided that all required company policies and procedures relating to matters set out in Section 4.1(c) have been complied with by the Subsidiary, the risk associated with each contract entered into by Subsidiary with its customers shall be immediately transferred to EncoreFX by means of a back-to-back arrangement, pursuant to which EncoreFX assumes all of the risk associated with such contracts and then takes appropriate steps to hedge material currency assets and liabilities at the Group level in order to mitigate these risks.

5.2 Indemnification by EncoreFX in Favour of Subsidiary

Provided that all required Group policies and procedures relating to matters set out in Section 4.1(c) have been complied with by Subsidiary, EncoreFX shall indemnify and save harmless Subsidiary from any and all liability that may arise in connection with each of the contracts where the risk has been assumed by EncoreFX in accordance with Section 5.1 above.

(n) Pursuant to sections 5.1 and 5.2 of the IDA, the risk associated with each of the Customer Contracts with respect to which PODs have been submitted, as summarized on Schedule "C", has been assumed by EncoreFX, and EncoreFX is obligated to indemnity and save harmless the Subsidiary from any and all liability in connection with each of the Customer Contracts listed on Schedule "C".

(o) Further particulars of the Subsidiary's claim are set out in the exchange of letters between King & Wood Mallesons, Australian counsel to the Liquidators, and MLT Akins, counsel to the Monitor, dated 17 February 2021, 23 February 2021, 16 March 2021, 7 April 2021, and 19 April 2021 and attached hereto as **Schedule "D"**.

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 4th day of May, 2021.

____
Witness: Michael Lawless

Per: __________________________________

Print name of Creditor:

EncoreFX (Australia) Pty Ltd (In Liquidation)

Name: Adam Nikitins

Title: Joint and Several Liquidator

EncoreFX (Australia) Pty Ltd
Notice of Disallowance

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

Name of Creditor: **EncoreFX (Australia) Pty Ltd (In Liquidation) (the "Subsidiary")**

Reference #: 008

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	**$17,076,627.08**	**$0.00**

C) Reason for the Revision or Disallowance:

1. The intercompany relationship between the Subsidiary and EncoreFX is governed by:

    a. The intercompany distribution agreement dated January 1, 2018 (the "**IDA**"), including the master terms and conditions attached thereto as Appendix "A" (the "**Master Terms**"); and

    b. The intercompany services agreement dated January 1, 2018.

2. Section 1.1 of the Master Terms explicitly states that the Master Terms apply to all transactions between EncoreFX and the Subsidiary as follows:

    "These [Master Terms] apply to all Transactions entered into between EncoreFX and the Subsidiary. Such Transactions and all related contracts or agreements between the Subsidiary and EncoreFX will at all times be subject to the provisions of these [Master Terms], except to the extent modified expressly and clearly by the specific provisions of a Transaction."

3. Section 5.1 of the IDA, contemplates that two agreements will be entered when the Subsidiary enters a contract with its customers, including: 1) the contract entered into

between the Subsidiary and its customer (the "**Customer Contract(s)**"); and 2) the contract representing the back-to-back arrangement (mirror swap) to be entered into between the Subsidiary and EncoreFX (the "**Subsidiary Arrangement(s)**").

4. The trade processes in respect of the Subsidiary Arrangements are set out in sections 4.1 and 4.2 of the Master Terms. When entering into Subsidiary Arrangements in respect of Customer Contracts involving foreign exchange spot transactions and forward contracts, the Subsidiary would enter the details of such transactions into FX Office (the transactional system used to book spot and forward contracts). Once those details were entered by the Subsidiary, EncoreFX would then provide the Subsidiary with the market rate representing the cost to the Subsidiary for acquiring the service from EncoreFX. The Subsidiary would then accept the market rate and the transaction (i.e. the applicable Subsidiary Arrangement) would then be posted and binding on EncoreFX and the Subsidiary. When entering into Subsidiary Arrangements in respect of option contracts, the Subsidiary and EncoreFX would use a similar process, only using Fenics, the transactional system used to book option contracts, to book and finalize the terms of those Subsidiary Arrangements.

5. Subsection 4.2(c) of the Master Terms clarifies the Subsidiary's obligation to complete each Subsidiary Arrangement once it has been booked into FX Office or Fenics, as applicable, as follows:

   > *"<u>Completion of Transaction</u>: <u>Once the Subsidiary's instructions regarding a Transaction have been accepted by EncoreFX</u> in accordance with Sections 4.2(a)* [foreign exchange spot transactions and forward contacts] *or (b)* [option contracts]*, the <u>Subsidiary shall be bound to complete the Transaction</u> in accordance with such instructions and in accordance with these Master Terms and Conditions."* (emphasis added)

6. Section 4.5 of the Master Terms further confirms EncoreFX's rights as against the Subsidiary in the event that the Subsidiary fails to complete a Subsidiary Arrangement:

   > *"EncoreFX shall be entitled to cancel any [Subsidiary Arrangement] where the Subsidiary has not carried out its obligations in accordance with these Master Terms and Conditions and the terms of the [Subsidiary Arrangement]. The Subsidiary shall reimburse EncoreFX for any losses, costs and expenses incurred as a result of such cancellation."*

7. The extent of the indemnification to be provided by EncoreFX in favour of the Subsidiary is set out in the terms of the individual Subsidiary Arrangements (as entered and confirmed by the Subsidiary in FX Office and/or Fenics, as applicable) and not in sections 5.1 and 5.2 of the IDA.

8. Section 5.1 of the IDA states the following:

   "***5.1 Assumption of Risk of Subsidiary Customer Contracts by EncoreFX***

   Provided that all required company policies and procedures relating to matters set out in Section 4.1 (c) have been complied with by Subsidiary, the risk associated with each contract entered into by Subsidiary with its customers <u>shall be immediately transferred to EncoreFX by means of a back-to-back arrangement,</u> pursuant to which EncoreFX assumes all of the risk associated with such contracts and then takes appropriate steps to hedge material currency assets and liabilities at the Group level in order to mitigate these risks." (emphasis added)

9. Section 5.2 of the IDA states the following:

   *"**5.2 Indemnification by EncoreFX in Favour of Subsidiary***

   Provided that all required Group policies and procedures relating to matters set out in Section 4.1 (c) have been complied with by Subsidiary, EncoreFX shall indemnify and save harmless Subsidiary from any and all liability that may arise in connection with each of the contracts <u>where the risk has been assumed by EncoreFX</u> in accordance with Section 5.1 above." (emphasis added)

10. Section 3.1(c) of the IDA specifies that EncoreFX would "[m]anage all market and liquidity risk associated with the sale of Services in Australia." The language of Section 5.1 specifically references that the risk, being the market and liquidity risk managed by EncoreFX, associated with each Customer Contract shall be transferred to EncoreFX by means of a back-to-back arrangement, being the Subsidiary Arrangements. Section 5.2 specifically references that EncoreFX will only indemnify the Subsidiary "where the risk has been assumed by EncoreFX". Sections 5.1 and 5.2 of the IDA are akin to an agreement to agree and contemplate that the specific terms of any indemnity to be provided by EncoreFX in favour of the Subsidiary would be specified in the individual Subsidiary Arrangements.

11. In *Creston Moly Corp. v Sattva Capital Corp.*, 2014 SCC 53 at para 47, the Supreme Court of Canada confirmed that "*...a decision-maker must read the contract as a whole, giving the words used their ordinary and grammatical meaning, consistent with the surrounding circumstances known to the parties at the time of formation of the contract.*" When considered in the broader context of the IDA, including the Master Terms, sections 5.1 and 5.2 of the IDA do not relieve the Subsidiary from its obligations arising under the Subsidiary Arrangements, or make EncoreFX directly responsible for the Subsidiary's obligations under the Customer Contracts.

12. Section 4.1 of the IDA confirms that "All transactions booked by the Subsidiary shall be governed by the [Master Terms] outlined in Appendix A [to the IDA]". This includes all Subsidiary Arrangements. When sections 4.1, 5.1 and 5.2 of the IDA are read together, it is clear that any indemnification to be provided by EncoreFX in favour of the Subsidiary

is limited to that provided for in the Subsidiary Arrangements in accordance with the Master Terms.

13. Pursuant to the Master Terms, any obligation of EncoreFX's to provide any indemnity to the Subsidiary would be conditional on the Subsidiary performing its own obligations under the Subsidiary Arrangements. Section 4.5 of the Master Terms states:

> *"**4.5** EncoreFX shall be entitled to cancel any Transaction <u>where the Subsidiary has not carried out its obligations in accordance with these Master Terms and Conditions</u> and the terms of the Transaction: The <u>Subsidiary shall reimburse EncoreFX for any losses, costs and expenses incurred</u> as a result of such cancellation."* (emphasis added)

14. Sections 5.4 (forward contracts) and 6.8 (option contracts) of the Master Terms contain similar language contemplating that the Subsidiary would pay EncoreFX for any "damages, losses (including loss of profit), costs and expenses incurred by EncoreFX" in the event that any Customer fails to complete a Customer Contract.

15. It is clear from a plain reading of the IDA and the Master Terms that EncoreFX is only required to perform its obligations under the Subsidiary Arrangements if both the Subsidiary and Customer each perform their respective obligations under the Customer Contracts and Subsidiary Arrangements, as applicable. One cannot consider the words "any and all liability" in section 5.2 of the IDA in a silo and without considering the IDA and Master Terms as a whole.

16. The Subsidiary has failed to provide any evidence that it has fulfilled its obligations under the Subsidiary Arrangements which are the subject matter of the Proof of Claim.

17. Furthermore, in accordance with section 8.1 of the Master Terms, EncoreFX is permitted to set off amounts owed by EncoreFX to the Subsidiary, as follows:

> *"If at any time the Subsidiary has failed to make a payment or delivery when due for a Service or pursuant to a Transaction, or is indebted to EncoreFX for any other reason, then EncoreFX may, without prior notice, apply any monies held by it on behalf of the Subsidiary against any amount owed by the Subsidiary to EncoreFX for any services or Transaction entered into, against any amount owed by EncoreFX to the Subsidiary, whether or not the amount is owed to the Subsidiary under this Agreement or for any Transaction entered into pursuant to this Agreement."*

18. Schedule "A" attached hereto contains a reconciliation of all intercompany debts of EncoreFX and the Subsidiary as of March 31, 2020 (the "**Debt Reconciliation**"). Based on the Debt Reconciliation, the Subsidiary is indebted to EncoreFX in the amount of CAD$2,169,836 (AUD$2,498,948).

19. On the above basis, the Proof of Claim must be disallowed.

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.

Additionally, within five (5) days of delivering your Dispute Notice to the Monitor (or such other date as may be agreed to by the Monitor), you or the Monitor may file a Claim Application (ie. a Notice of Application) with the Court in the CCAA Proceedings on a de novo basis to determine the classification and/or amount of your disputed Claim. If a Claim Application is not filed within five (5) days of the delivery of your Dispute Notice to the Monitor (or such other date as may be agreed to by the Monitor), then your Claim as set out in the Monitor's Notice of Revision or Disallowance shall be your Proven Claim.

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 6th day of May, 2021.

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

Michael Bell, CPA, CA, CIRP, LIT

Senior Vice President

EncoreFX (Australia) Pty Ltd

Notice of Dispute

Dispute Notice of EncoreFX Inc. ("EncoreFX")

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 008 and dated May 6, 2021, issued by Ernst & Young Inc. in its capacity as Monitor of EncoreFX in respect of our Claim.

Name of Creditor: **EncoreFX (Australia) Pty Ltd (In Liquidation)**

Reasons for Dispute:

1. The joint and several liquidators (the "**Liquidators**") of EncoreFX (Australia) Pty Ltd ACN 607 244 879 (in Liquidation) (the "**Subsidiary**") dispute the interpretation of the Intercompany Distribution Agreement relied upon by the Monitor in its Notice of Revision or Disallowance (the "**Disallowance**") as being inconsistent with the express terms and objective intent of the Intercompany Distribution Agreement, and the factual matrix of the parties' intercompany relationship as described in Affidavit #1 of Adams Nikitins, sworn May 10, 2021.

2. In response to the statement at paragraph 16 of the Disallowance that "[t]he Subsidiary has failed to provide any evidence that it has fulfilled its obligations under the Subsidiary Arrangements [as defined in the Disallowance] which are the subject matter of the Proof of Claim", the Liquidators state that the Subsidiary Arrangements are not the subject matter of the Subsidiary's Proof of Claim.

3. The subject matter of the Subsidiary's Proof of Claim is the indemnity provided for by sections 5.1 and 5.2 of the Intercompany Distribution Agreement which gives effect to the parties' objective intention when entering into the Intercompany Distribution Agreement that EncoreFX would "assume all of the risk and obligations of the foreign exchange contracts entered into by Subsidiary so long as Subsidiary follows company policies and procedures" (Intercompany Distribution Agreement, Recital D). By the express terms of the Intercompany Distribution Agreement, the assumption of risks associated with the Subsidiary's customer contracts was to be mitigated by EncoreFX at the group level and was not conditional upon any Subsidiary Arrangement as between EncoreFX and the Subsidiary, or the performance of any alleged obligations on the part of the Subsidiary other than compliance with all required company policies and procedures relating to matters set out in section 4.1(c) of the Intercompany Distribution Agreement.

4. The Disallowance does not provide any evidence that EncoreFX entered into any Subsidiary Arrangements with the Subsidiary or that it fulfilled its own obligations under the alleged Subsidiary Arrangements which are the subject matter of the Disallowance.

5. The Liquidators have requested particulars and evidence regarding the Subsidiary Arrangements that are the purported basis for the Disallowance and the Monitor's

purported counterclaim as asserted in the Disallowance on March 16, 2021, April 19, 2021, and May 5, 2021.

6. As of the date of this Dispute Notice, the Monitor has refused or neglected to provide responsive or any answers to the following requests for information made by the Liquidators, among others:

(a) To the extent the "Subsidiary Arrangement" is documented, to provide a copy of relevant documentation;

(b) Provide confirmation of what contracts EncoreFX entered (if any) with its bank counterparties to hedge its exposure pursuant to section 7.3 of the Master Terms (as defined in the Disallowance). Given the Monitor's reliance on the customer contracts entered by the Subsidiary with Australian Lamb Company Pty Ltd and ICT Century Pty Ltd, provide full details of the hedging arrangements applicable to both of those customer contracts.

(c) What specific obligations (if any) were alleged to have been not performed by the Subsidiary.

(d) Provide PDF copies of the "open back-to-back spot deals", "open back-to-back forward deals" and "intercompany option deals" entered by EncoreFX which are listed in pages 2 – 33 of Appendix A to the Disallowance.

(e) To the extent EncoreFX asserts that the Subsidiary failed to complete any "Transaction" (as defined in the Master Terms) pursuant to section 4.2(c) of the Master Terms, specify what "Transaction(s)" the Subsidiary is alleged to have failed to complete.

(f) To the extent EncoreFX asserts that it has rights against the Subsidiary for failure to complete any "Transaction" pursuant to section 4.5 of the Master Terms:

(i) what "Transactions" EncoreFX cancelled; and

(ii) what losses, costs, and expenses EncoreFX incurred as a result of such cancellation.

(g) To the extent EncoreFX asserts that it has rights against the Subsidiary pursuant to section 5.4 of the Master Terms:

(i) which of the Subsidiary's customers failed to complete a forward contract by the required settlement date(s);

(ii) which forward contract(s) were not completed;

(iii) what covering positions EncoreFX took in relation to the relevant forward contract(s);

(iv) what covering currency EncoreFX sold to terminate the relevant forward contract(s); and

(v) what losses EncoreFX suffered as a result.

(h) To the extent EncoreFX asserts that it has rights against the Subsidiary pursuant to section 6.8 of the Master Terms:

(i) which of the Subsidiary's customers failed to complete an option contract by the required settlement date(s);

(ii) which option contract(s) were not completed;

(iii) what covering positions EncoreFX took in relation to the relevant option contract(s);

(iv) what covering currency EncoreFX sold to terminate the relevant option contract(s); and

(v) what losses EncoreFX suffered as a result.

7. The Liquidators have specifically advised the Monitor on April 19, 2021 and May 5, 2021 that they do not have access to the legacy "Fenics" and "FX Office" platforms (referred to in paragraphs 4, 5, and 7 of the Disallowance as a basis for disallowing the Subsidiary's Proof of Claim) and requested that examples be provided by email. As of the date of this Dispute Notice, the Monitor has refused or neglected to provide such information.

8. The Liquidators further dispute the appropriateness of the Monitor purporting to adjudicate its alleged setoffs and counterclaims in the context of this CCAA Proceeding for the reasons set out in the Notice of Application being filed by the Liquidators concurrently with the delivery of this Dispute Notice.

Signature of Individual/Authorized Signing Officer: ______________________

Date: May 10, 2021

Adam Nikitins, Joint and Several Liquidator of EncoreFX (Australia) Pty Ltd

Telephone Number: +61 401 622 766 / Facsimile Number: N/A

E-mail Address: adam.nikitins@au.ey.com; michael.lawless@au.ey.com

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 MAY 11, 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 35 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.

Traveland Leisure Vehicles Ltd
Proof of Claim

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):

TRAVELAND LEISURE VEHICLES LTD and TRAVELAND RV SUPERCENTRE

(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.)

20529 LANGLEY BYPASS

LANGLEY B.C.

(c) Other Contact Information of the Creditor:

Telephone Number: 604 530 8141

E-mail Address: Keith.epp@tlrv.ca

Facsimile Number: 604 530 9576

Attention (Contact Person): Keith Epp

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

CONTROLLER AND AUTHORIZED SIGNATORY
(state position or title)

of

TRAVELAND LEISURE VEHICLES LTD
(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*):

$ 499,800.42 CAD [Insert $ value of Claim]

4. NATURE OF CLAIM

(CHECK AND COMPLETE APPROPRIATE CATEGORY)

(X)

[X] A. **UNSECURED CLAIM OF $** 499,800.42 **CAD**
That in respect of this debt, I do not hold any assets of the debtor as security and
[X] 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:

n/a

____

____

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 3rd day of MAY, 2021.

Witness:

Per:

Print name of Creditor: TRAVELAND LEISURE VEHICLES LTD AND TRAVELAND RV SUPERCENTRE

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

Name: KEITH EPP

Title: CONTROLLER/AUTHORIZED SIGNATORY

SCHEDULE OF PARTICULARS

1. This Schedule details the claim of Traveland Leisure Vehicles ltd. ("Traveland") for:

    a. contracts breached by EncoreFX Inc. ("EncoreFX") in the amount of $252,169.42; and

    b. the costs of contracts entered into by Traveland to replace the contracts breached by EncoreFX in the amount of $247,631.00.

2. The total claim is $499,800.42.

Breached Contracts

3. Traveland entered into 10 forward Contracts and 4 Leveraged Knock In contracts with EncoreFX before March 30, 2020 and outstanding at March 30, 2020.

4. Attached hereto as Schedule "A" is a Portfolio Summary of these contracts prepared by Encore FX. The amount under contract as of April 2, 2020 was $4,997,559 set out in the column marked Guaranteed (Remaining). The Leveraged amounts totaling $1,450,000 were not activated given the value of the dollar at the relevant times.

5. Attached hereto as Schedule "B" is a Positions report prepared and delivered by Kyle Chuang who was our representative. The report Kyle sent from EncoreFX summarized the details and market value of the 10 forward contracts and the 4 outstanding Knock in contracts as at April 2, 2020. As each contract matured, it was not honored. In some cases, as indicated on Schedule B an amount was owed by EncoreFX to Traveland and, in other cases, an amount was owed by Traveland to EncoreFX. As was our practice and agreement Kyle set one off against the other. Traveland was unable to exercise their options from March 30, 2020 onwards. The total position results in a debt of $252,169.42 by Encore FX to Traveland

6. Attached as Schedule "C" are copies of the contracts.

7. Attached hereto as Schedule "D" is a Positions report prepared by me which is consistent with the one prepared by Kyle Chuang on behalf or Encore FX

8. The total amount owed to Traveland is $252,169.42 for breach of the contracts portion of the claim.

PARTICULARS OF A PROOF OF CLAIM

Replacement Contracts

9. Traveland was advised that EncoreFX would breach the contracts because of its bankruptcy.

10. Because EncoreFX breached its contracts, from March 31, 2020 to May 28, 2020, Traveland was required to replace all of the contracts at the prevailing market rates by contracts at Bank of Montreal.

11. Attached hereto and marked as Schedule "E" is a summary of these contracts including the date, amount, and cost of each contract.

12. The cost of entry into replacement contracts to Traveland is $247,631.00 based on the average value of claims that Traveland locked into as downloaded from the website of the Bank of Montreal.

13. Attached hereto and marked as Schedule "F" is a summary of the replacement contracts.

Traveland Leisure Vehicles Ltd

Notice of Disallowance

APPENDIX "G"
(to the Claims Process Order)

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

Name of Creditor: Traveland Leisure Vehicles Ltd ("**Traveland**")

Reference #: 002

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	**$499,800.42**	**$0**

C) Reason for the Revision or Disallowance:

On June 3, 2020 the Trustee notified Traveland that its mark-to-market position was out-the-money and requesting a margin call to be paid by Traveland. Due to the margin call not having been paid within two business days, as required under the Master Terms and Conditions, the Trustee terminated all Transactions (as defined in the Master Terms and Conditions) as described in the Trustee's Reports and the subsequent correspondence issued to Traveland on June 8, 2020.

Upon termination of the Transactions, EncoreFX is relieved of its obligations under the Master Terms and Conditions to complete any Transactions, including its obligations under any Transactions entered into before such termination. Accordingly, Traveland's unsecured claim of $252,169.42 "for contracts breached by EncoreFX" is disallowed in its entirety. Further, pursuant to the close-out of the Transactions, and the correspondence issued to on June 8, 2020, Traveland is not a creditor of EncoreFX but a debtor of EncoreFX with an amount owing of $57,456.91.

With respect to Traveland's claim of $247,631 for "the costs of contracts entered into by Traveland to replace the contracts breached by EncoreFX", section 19.3 of the Master Terms and Conditions explicitly states:

"*EncoreFX's liability to the Customer shall at all times be limited to the value of the Transaction out of which the claim arises. In no event shall EncoreFX be liable to the Customer for any economic losses or damages, nor will it be liable for any lost profits or punitive, exemplary or special damages, each of which is hereby excluded by the agreement of the Customer and EncoreFX*".

On that basis, Traveland's unsecured claim of $247,631 is also disallowed in its entirety.

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 5th day of May, 2021.

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

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

Traveland Leisure Vehicles Ltd
Notice of Dispute

APPENDIX "H"
(to the Claims Process Order)

Dispute Notice of EncoreFX Inc. ("EncoreFX")

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 002 and dated May 5, 2021, issued by Ernst & Young Inc. in its capacity as Monitor of EncoreFX in respect of our Claim.

Name of Creditor: Traveland Leisure Vehicles Ltd and Traveland RV Supercentre ("Traveland")

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

On March 30, 2020, Kyle Chuang representing the Bankrupt advised Traveland that EncoreFX had suspended trading. It was confirmed by email of April 2, 2020, this is a breach. On that Traveland had a series of contracts in place:

(a) several for settlement on April 30, 2020;

(b) several for settlement on May 29, 2020;

(c) several for settlement on June 30, 2020; and

(d) several for settlement on July 31, 2020.

Those called for an exchange of currency on the respective settlement dates which exchange was not possible after the Bankrupt ceased trading. Accordingly, the contracts were frustrated. Our client made contracts for the assurance of currency values on the settlement dates and it did not get the benefit of those assurances.

Traveland through counsel, received notice on September 1, 2020 that after the date of Bankruptcy, the trustee purported to carry on the business of Encore FX, referring to section 18 (b) of the BIA and 30 (1) (c). There is no equitable support for the notion that the trustee can carry on the collection side of the business while not performing the obligations of the bankrupt. The bankruptcy court is a court of equity and this is not fair.

In the opinion of MLT Atkins, "completing the contracts is for the beneficial administration of the estate". The contracts ended on July 31, 2020. Completing the contracts would result in Traveland's claim in person against the trustee or now the Monitor, for the full claim of $61,004.49. Accordingly, to the extent that the trustee now says it was is carrying on the business, it breached the contracts and it owes the money, now.

The Company's email of March 30, 2020 gave notice that the Bankrupt intended to breach those contracts which it ultimately did.

As of April 2, 2020, Traveland gave notice of it's in the money proof of claim for $252,169. That amount stands.

By April 13, 2020, Traveland had not yet received a Creditor package or Notice of Meeting of Creditors despite its notification to the trustee of April 2, 2020. Traveland was directed by Marko Gordic to go to the website. On April 13, 2020, Traveland proved its claim for $252,169.

When the April 30, 2020 contracts matured, the Trustee did not conclude them and could not conclude them; Traveland was owed $4,140 for those contracts, alone.

When the May 29, 2020 contracts matured, the Trustee did not conclude them and could not conclude them. Traveland was owed an additional $68,148 for those contracts at that time. The trustee was not then living up to its advice (received later that it was carrying on the business)

After those breaches, on June 1, 2020, the Trustee wrote confirming the right to disclaim the contracts from Traveland because it is in the Money ("ITM"). The order attached to the letter says it is without prejudice to the right of the holders of the contracts. Three of those rights which are not prejudiced apply as follows:

(1) first, the right to assert that the contracts were breached and/or frustrated by the decision to cease trading on March 30, 2020;

(2) the right to assert that the filing of the proof of claim after notice by the Trustee, crystallized the rights of the creditor; and

(3) third, the right to assert that the order does not contemplate that the Trustee has the right to pick an opportune date in its sole discretion.

All of these rights are asserted by Traveland. The trustee's statement of its intention to carry on business after receipt of a proof claim acknowledges that amount and confirms the debt. There is no right for the trustee to unilaterally change the terms.

The trustee asserted that Traveland should have paid a margin call when Encore FX was in breach and this trustee reaffirmed the breach while purporting to carry on the business.

The trustee's June 1, 2020 letter sets out two options. The automatic closing out of transactions effective June 30, 2020 was not available to the Trustee because, if the contracts were not frustrated or breached by the decision to cease trading on March 30, 2020, the Trustee breached the several contracts on April 30, 2020 and May 29, 2020 when those contracts matured. No later date can be selected for them after the breach.

On June 3, 2020, the Trustee gave notice to Traveland that it had suspended trading – a fact that by then was well known; was over two months old; was contained in a report to the court. The delay of this notification cannot justify demand for a position which is created as an MTM position under the Master Terms and Conditions after: (i) the settlement date had expired in some cases; and (ii) all the contracts were breached by the Trustee. Even if the contracts were not frustrated, and we say they were, on the bankruptcy date, there can be no calculations after the settlement date. The Trustee cannot breach, terminate, or disclaim the contracts and still attempt to take a benefit under them.

The Trustee further notified Traveland, that credit facilities and services were terminated: (i) when both had been terminated on the date of bankruptcy or by the bankruptcy; and (ii) when Traveland was in the money. It defies logic that a margin call for an OTM position can be made when the Trustee was unable to settle the contract on any terms and when it matured sometime after.

Its demand for $24,445 on Jun 3, 2020 is wholly inappropriate. The "spot reference" on the termination of the April 30, 2020 contract was 1.3943 and, on the May 29, 2020, contract was 1.3764. As set out above, when those two sets of contracts expired (assuming the Trustee had elected to continue the business) the Trustee was indebted to Traveland for $72,188.

The Trustee demanded $24,445 without taking notice of Traveland's proof of claim or the settlement amounts on the expired contracts. Demanding margin calls on contracts for which the settlement date has passed defies logic.

The second last paragraph of the Trustee's June 3, 2020 letter provides as follows:

> *If you have not violated the terms of the Master Terms and Conditions, <u>all transactions which were entered into prior to termination will be carried out</u> in accordance with your instructions to the extent EncoreFX is permitted by law to execute them. In the event that you have violated the terms of the credit facility or the Master Terms and Conditions in any way, EncoreFX may, at its sole discretion, withhold the Services and/or terminate any pending transactions at any time by providing written notice to you.*

Traveland was never in breach. The statement that the transactions will be carried out is a misrepresentation by the trustee.

The trustee cannot rely on its own breach and its own misrepresentation;

(1) the Trustee is in breach of the Master Terms and Conditions – not Traveland;

(2) the Trustee had not provided any services since March 30, 2020;

(3) the notion that the transactions will be carried out contradicts the terms of the Trustee's June 1, 2020 letter which states clearly that the Trustee will be "unable to perform on the settlement obligations under the transactions on the settlement date". The Trustee (in person) is in breach of its duties by failing to confirm at an early stage that it could not perform;

(4) The trustee is inconsistent in its approach to its own breach: (i) on bankruptcy it published that it cannot perform the contracts (ii) in its June 1, letter in bold" **The Trustee advises that it will be unable to perform the settlement obligations under the Transactions;** and (iii) in its June 3 letter to Traveland despite the June 1 options; it states;".....all transactions which were entered into prior to the termination will be carried out in accordance with your instructions to the extent encore FX is permitted by law to execute them"

(5) Effective June 3, 2020, the Trustee restated an intention to perform to the extent that EncoreFX is permitted by law in the face of its earlier statement in its June 1, 2020 letter that it will not perform when it knew it would not perform; and

(6) Many of the settlement dates had passed so withholding services and terminating pending transactions is an illusion.

(7) In its June 8 letter (hereinafter described) the Trustee confirmed that upon termination the company is relieved of its obligations. That implies that prior to the termination the Trustee carrying on the company's business had obligations and is accordingly liable.

(8) The trustee then, has taken two inconsistent positions on whether it is conducting the business and three inconsistent positions of whether it will or can perform the individual contracts.,

Traveland rejects, and there is no legal basis for, closing out the contracts on June 8, 2020. They were frustrated on the bankruptcy. The contracts were to be closed out in the normal course, to protect Traveland in the course of its business from currency fluctuations. The trustee cannot elect to close them out at will taking the benefit of them and depriving Traveland of what it bargained for.

Closing out the contracts requires sale of the currency. But EncoreFX had ceased trading. It does not appear from the Trustee's first option that the proof filed by Traveland was a factor it considered in deciding whether an account is closed but we fail to see how an account can remain open when the Bankrupt has ceased trading and the Trustee has invited proofs of claim. Traveland had filed a proof of claim.

The Trustee's second option confirms the breach by the Trustee in that the Trustee clearly states that it will be unable to perform on the settlement date. The maturity date, in its view, will dictate the value of the claim. Again, that is subject to the notion that it was frustrated or breached. Traveland's claim is now valued at $61,004.49 at the expiry of all contracts.

The second option is improper because, again, the Trustee will not be able to perform. In the result, it is the Trustee which is simply gambling on the currency rate (and inviting Traveland to do the same) which breaches paragraphs 6.1 and 8.1 of the Master Terms and Conditions. Certainly, Traveland did not agree to the terms of (a) through (e) of the Trustee's terms for the second option as set out in the Trustee's June 1, 2020 letter. Gambling on currency which will not be delivered results in an unenforceable contract. To the extent the trustee unilaterally imposed an option that results in gambling on currency, that contract is unenforceable due to criminality.

On June 8, 2020 the Trustee asserted a new demand of $57,456.91 calculated as of June 8, 2020 based on a close out on that date for all of the contracts at 1.3434 without regard to the rate on the settlement date of the contracts which had expired or its prior demand.

On the expiry of the two contracts which are referred to above the Trustee was indebted to Traveland for $72,188. If the remainder of the contracts are netted out at June 8, 2020 there is a set off in favour of the Trustee for $29,606.86.

Leaving aside for the moment that the bankruptcy frustrated the contracts, the very best case for the Trustee on June 8, 2020 was ($72,188 – $29,604.86) so a balance of $42,684.06 owed to Traveland. Traveland notified the trustee of those calculations on September 1, 2020.

The trustee is not at liberty to provide options to compel contractors to accept the Trustee's breach on June 3, 2020 or any other date. On the settlement date of each contract, the Trustee failed to perform. It repudiated the contracts and Traveland accepted that repudiation. In our September 1, 2020 letter, Traveland gave the trustee notice that a balance of $42,684.06 is due to Traveland on the April and May contracts utilizing the June 8 contract expiry date which the Trustee has chosen. Accordingly, our client does not accept the trustee's calculations.

On June 8, 2020, two of the contracts had not expired. The out-of-the-money position was incorrectly calculated and as such the conditions of the Master Agreement were breached by Trustee. The in-the-money contracts that expired on April 30 and May 31 were incorrectly assessed as being open on June 3 and used the June 3 spot rate as opposed to the rate in effect when the contract expired. The Trustee has incorrectly calculated an out-of-the-money position of $57,459.91 when in fact if correctly calculated it would have been in-the-money at a value of $61,004.49. See Schedule C attached.

Traveland takes the position that the contracts should be settled as of the maturity date of the last being July 31, 2020. We attach our client's spread sheet which shows that, on the expiry of the contracts, the amount owing to our client is $61,004.49.

Without dealing with the issues in any substantial way the Trustee issued another demand on June 26, 2020. The trustee has asserted breach by Traveland when it is the trustee which is in breach throughout.

Traveland was ready, willing, and able to conclude each trade on the date applicable but EncoreFX and in particular its Trustee violated the terms of the agreement and were in clear breach of its terms among other things:

(i) by misrepresenting that the Trustee could carry out transactions to the extent permitted by law, when the Trustee could not carry them out in any manner;

(ii) the Trustee later confirmed that it could not carry them out, then asserting that the trustee could authorize the transactions in some illusory fashion; on a unilaterally chosen date while not performing its obligations on each of the transactions.

So, in the result there are two alternate approaches: (i) either the contract was at an end on the date of the Bankruptcy in which case Traveland has a claim of $252,149.62; or (ii) the trustee kept them alive in which case there is a full indemnity claim against the trustee in person for $61,004.49.

Traveland makes the first tranche of its claim for these amounts in the alternative.,

For the second tranche of its claim, on June 12, 2020 Traveland wrote to the Trustee confirming among other things:

> *"Traveland has also had to hedge in the market at unfavorable rates that wouldn't have been necessary had the original contracts been made available to them. The value of the hedges taken has caused Traveland additional financial hardship at a value of $245,860 from March 31 to May 31. Backup for this claim has been included (see attached [2])."*

Traveland says that the contract was breached from the outset. The trustee says that these amounts are not allowable because of the terms of the contract so it implies that the contract is still alive which is consistent with the trustee carrying on the business.

The trustee says damages to replace the contract are not available because of the terms of the contract. If that is so then the trustee adopts the contracts and is liable for $61,004.49 in person.

<u>Summary</u>

On June 12, 2020, Traveland filed a proof of claim for $498,029 made up of $252,169 as of April 2, 2020 and $245,860. The revised proof of claim is proven at $499,800.42.

Either the contract was at an end on the date of the Bankruptcy in which case Traveland has a claim of $252,149.62; or There is a full indemnity claim against the trustee in person for $61,004.49.

Overall, the trustee is to be faulted by responding in form letters to particularized complaints.

Traveland says that in light of the participation of the trustee in the business of the bankrupt, it should; have costs against the trustee (as opposed to the estate alone)

All of which is submitted by: Traveland Leisure Vehicles Ltd and Traveland RV Supercentre ("Traveland")

Signature of Individual/Authorized Signing Officer: ____________________

Date: May 8, 2021 Keith Epp

(Please print name) Keith Epp

Telephone Number: (604)-530-8141) Facsimile Number: (   )____________

E-mail Address: keith.epp@tlrv.ca

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 MAY 10, 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.

AgraCity Crop and Nutrition Ltd
Proof of Claim

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):

Agracity Crop & Nutrition Ltd

(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.)

320 22nd Street East

Saskatoon, SK S7K 0H1

(c) Other Contact Information of the Creditor:

Telephone Number: 306-241-1126

E-mail Address: jtmann@agracity.com

Facsimile Number: 306-665-4505

Attention (Contact Person): Jason Mann

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*):

$ 867,487.48 CAD [Insert $ value of Claim]

4. NATURE OF CLAIM

(CHECK AND COMPLETE APPROPRIATE CATEGORY)

[X] A. UNSECURED CLAIM OF $867,487.48 ____CAD

That in respect of this debt, I do not hold any assets of the debtor as security and
[x] Regarding the amount of $ 867,487.48 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 4 day of MAY, 2021.

Witness

Per:

Print name of Creditor:

Agracity Crop & Nutrition Ltd

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

Name: Jason Mann

Title: President & CEO

AgraCity Crop & Nutrition Ltd ("AgraCity") had four forward contracts in place with EncoreFX, bearing the following reference numbers: EFX-CAN-DEAL-0378740, EFX-CAN-DEAL-0378871, EFX-CAN-DEAL-0378925, and EFX-CAN-DEAL-0384113.

With these forward contracts in place, AgraCity had the right to draw down USD funds at any time or settle the contract upon expiry. On March 30, 2020, the date of bankruptcy, Agracity had a total remaining drawdown of USD$7,456,800.00, summarized in the table below:

				On the date of bankruptcy			
Encore Contract	Settlement Date	Rate	USD Contract Amount	USD Remaining	BOC Rate	Points Difference	ITM Amount CAD$
378740	01-04-2020	1.3030	1,000,000.00	**415,800.00**	**1.4156**	**0.1126**	**46,819.08**
378925	30-04-2020	1.2980	2,000,000.00	**2,000,000.00**	**1.4156**	**0.1176**	**235,200.00**
384113	14-05-2020	1.3432	386,094.92	**41,000.00**	**1.4156**	**0.0724**	**2,968.40**
378871	29-05-2020	1.2991	5,000,000.00	**5,000,000.00**	**1.4156**	**0.1165**	**582,500.00**
			8,386,094.92	**7,456,800.00**			**867,487.48**

Based upon the Bank of Canada rate on March 30, 2020, AgraCity had an "in-the-money" position valued at $867,487.48 and is claiming this amount as the settlement balance as of the date of bankruptcy.

Supporting documents:

EFX-CAN-DEAL-0378740

EFX-CAN-DEAL-0378871

EFX-CAN-DEAL-0378925

EFX-CAN-DEAL-0384113

Bank of Canada Rate on March 30, 2019

AgraCity Crop and Nutrition Ltd
Notice of Disallowance

APPENDIX "G"
(to the Claims Process Order)

<u>Notice of Revision or Disallowance of EncoreFX Inc. ("EncoreFX")</u>

Name of Creditor: <u>Agracity Crop & Nutrition Ltd</u>

Reference #: <u>005</u>

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 Amount	**$867,487.48**	**$TBD**

C) Reason for the Revision or Disallowance:

EFT Reversals and "Double Dip" Payments

1. EncoreFX Inc. filed an assignment in bankruptcy on March 30, 2020 (the "**Bankruptcy Date**") 2020. Pursuant to Section 69.3(1) of the BIA, a stay of proceedings (the "**Stay**") has been in effect with respect to EncoreFX since the Bankruptcy Date.

2. Subsequent to the Bankruptcy Date and in specific breach of the Stay, and on the instructions of AgraCity, the EncoreFX bank accounts were debited for reversals of PAD payments that had been authorized under certain PAD agreements prior to the bankruptcy. Agracity Crop & Nutrition Ltd ("**Agracity**") received four EFT Reversals in the total amount of $638,146 CAD (the "**EFT Reversals**").

3. Furthermore, two of the four EFT Reversals received by Agracity related to transactions which were fulfilled by EncoreFX as EncoreFX wired the outgoing $USD payment associated with each transaction to Agracity's customers prior to the Bankruptcy Date (the "**Double Dip**

Payments"). Agracity received total Double Dip Payments of $314,544 CAD. In addition to being in breach of the Stay, these Double Dip Payments represent an unjust enrichment to AgraCity and amount to a double recovery to Agracity. The Monitor has filed a Notice of Application to recover the Double Dip Payments.

4. **The ITM Position as submitted by AgraCity requires adjustment as is noted below and may require further adjustment based on future outcomes with respect to the EFT Reversals and Double Dip Payments. The Monitor reserves all rights and remedies available to pursue the recovery of the EFT Reversals. No distribution will be paid to Agracity on its ITM Position until the EFT Reversals, including the Double Dip Payments are resolved.**

Discrepancy in Foreign Exchange Rates Used

5. Notwithstanding the EFT Reversals, the proof of claim filed by Agracity uses incorrect foreign exchange rates to calculate the ITM Position resulting from the close-out of the noted transactions.

6. On or around June 1, 2020, with the approval of the inspectors in the bankruptcy proceedings, the Trustee sent correspondence (the "**ITM Close-Out Letter**") to the EncoreFX clients (the "**ITM Clients**") with mark-to-market obligations owing to them (the "**ITM Positions**") who had not yet requested a close-out of their transactions. Agracity was sent an ITM Close-Out Letter.

7. The ITM Close-Out Letter notified the ITM Clients that EncoreFX would close-out the transactions of the ITM Clients unless the ITM Client acknowledged, in writing by June 30, 2020 (the "**Deadline**") that it did not want the ITM transaction(s) resulting in the ITM Positions to be closed-out, and that the ITM Client indemnified and held harmless the Trustee personally for any losses realized in connection with same.

8. As a result of Agracity not responding to the ITM Close-Out Letter, the Trustee proceeded to close out Agracity's transactions in accordance with the ITM Close-Out Letter. Using the foreign exchange rates as per the close-out statements sent to Agracity on July 7, 2020, the total ITM Position from the close-out of the noted transactions is $578,909 and not the $867,487 as calculated by Agracity. Agracity's ITM Position of $578,909 CAD is calculated as follows:

Contract	USD Amount	Contract Rate	Close Out Rate	ITM Amount
378740	415,800.00	1.3030	1.3769	30,728
378925	2,000,000.00	1.2980	1.3769	157,800
384113	41,000.00	1.3432	1.3769	1,382
378871	5,000,000.00	1.2991	1.3769	389,000
				578,909

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.

Additionally, within five (5) days of delivering your Dispute Notice to the Monitor (or such other date as may be agreed to by the Monitor), you or the Monitor may file a Claim Application (ie. a Notice of Application) with the Court in the CCAA Proceedings on a *de novo* basis to determine the classification and/or amount of your disputed Claim. If a Claim Application is not filed within five (5) days of the delivery of your Dispute Notice to the Monitor (or such other date as may be agreed to by the Monitor), then your Claim as set out in the Monitor's Notice of Revision or Disallowance shall be your Proven Claim.

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 6th day of May, 2021.

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

Per:

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

AgraCity Crop and Nutrition Ltd
Notice of Dispute /
Application Response

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

IN THE MATTER OF ENCOREFX INC.

APPLICATION RESPONSE

APPLICATION RESPONSE OF: AgraCity Crop & Nutrition Ltd. (the "Application Respondent")

THIS IS A RESPONSE TO the notice of application filed October 26, 2020 of Ernst & Young Inc. ("**EY**"), in its capacity as trustee in bankruptcy of EncoreFX Inc. ("**EncoreFX**") and as Monitor of EncoreFX pursuant to the Conversion Order made on March 30, 2021. This Application Response will refer to EY as the Monitor or the Trustee.

Part 1: ORDERS CONSENTED TO

1. None.

Part 2: ORDERS OPPOSED

2. The Application Respondent opposes the granting of the orders set out in paragraphs 2 to 3 of Part 1 of the notice of application.

Part 3: ORDERS ON WHICH NO POSITION IS TAKEN

3. The Application Respondent takes no position on the granting of the orders set out in paragraph 1 of Part 1 of the notice of application.

Part 4: FACTUAL BASIS

4. The core business of AgraCity Crop & Nutrition Ltd. ("**AgraCity**") is the procurement, production, packaging, sale, and distribution of crop inputs and other related products to farmers. Many of AgraCity's product suppliers operate overseas and AgraCity's supply

agreements require payment by international wire transfer in US currency. To fulfill these obligations, AgraCity contracted with EncoreFX Inc. ("**EncoreFX**") in 2017 for the purpose of using EncoreFX's international wire transfer services and to place US dollar forward contracts in order to mitigate against the effects of less favorable Canadian to US foreign exchange rates.

Affidavit of Gail Hoshowsky at para. 3.

5. AgraCity submitted to EncoreFX a New Account Application on a standard EncoreFX form on or about September 15, 2017. The New Account Application included EncoreFX's Master Terms and Conditions that are stated to apply to all transactions entered into between EncoreFX and its customer.

Affidavit of Gail Hoshowsky at para. 4.

6. The New Account Application was the basis for EncoreFX to open the credit facility, which was approved effective September 19, 2017.

Affidavit of Gail Hoshowsky at para. 5.

7. In order to facilitate transactions with EncoreFX, AgraCity also entered into a Pre-Authorized Debt ("**PAD**") Agreement dated August 3, 2018 on EncoreFX's standard form agreement.

Affidavit of Gail Hoshowsky at para. 6.

8. Between March 25 and 27, 2020, AgraCity provided instructions to EncoreFX to withdraw funds from AgraCity's Canadian funds account at the Bank of Montreal ("**BMO**") in order to effect payments due to AgraCity's suppliers. A summary of these transactions is as follows:

Deal	Date	Vendor	Amount USD	Amount CAD	Withdrawn From Account	Returned to Account
0410311	25-Mar-20	Anhui Huaxing	100,000.00	130,320.00		
		Lier Chemical	48,330.00	62,981.64		
		Subtotal	148,330.00	193,301.64	27-Mar-20	30-Mar-20
0410810	26-Mar-20	Anhui Huaxing	100,000.00	130,300.00	26-Mar-20	30-Mar-20
0411061	27-Mar-20	Polaquimia	141,400.00	184,244.20	27-Mar-20	30-Mar-20
0411327	27-Mar-20	Anhui Huaxing	100,000.00	130,300.00	27-Mar-20	30-Mar-20
Total			**489,730.00**	**638,145.84**		

Affidavit of Gail Hoshowsky at para. 7.

9. During the morning of March 30, 2020, AgraCity learned that EncoreFX had made an assignment in bankruptcy. AgraCity was concerned that none of its suppliers had been paid by EncoreFX as instructed. During a telephone call with Deanne Schwartz, AgraCity's contact at EncoreFX's Saskatoon office, Ms. Schwartz was unable to confirm whether vendor payments had been processed. Ms. Schwartz advised that the transactions of March 25 and March 26 had probably been completed, but not the transactions of March 27. Ms. Schwartz said that, if AgraCity wanted to pull back the funds, that was something to consider. Following this conversation, AgraCity instructed BMO to return the funds to AgraCity's account as soon as possible.

Affidavit of Gail Hoshowsky at para. 8.

10. Subsequently, the following vendors confirmed receipt of the following payments:

Deal	Date	Vendor	Amount USD	Amount CAD
0410311	25-Mar-20	Anhui Huaxing	$ 100,000.00	$ 130,320.00
0411061	27-Mar-20	Polaquimia	$ 141,400.00	$ 184,244.20
Total			**$ 241,400.00**	**$ 314,564.20**

Affidavit of Gail Hoshowsky at para. 9.

11. However, the following vendors did not receive payment from EncoreFX:

Deal	Date	Vendor	Amount USD	Amount CAD
0410311	25-Mar-20	Lier Chemical	$ 48,330.00	$ 62,981.64
0410810	26-Mar-20	Anhui Huaxing	$ 100,000.00	$ 130,300.00
0411327	27-Mar-20	Anhui Huaxing	$ 100,000.00	$ 130,300.00
Total			**$ 248,330.00**	**$ 323,581.64**

Affidavit of Gail Hoshowsky at para. 10.

12. At the time of the foregoing transactions, AgraCity also had four open forward contracts with EncoreFX for US currency, where AgraCity was "in-the-money" ("**ITM**") effective the date of EncoreFX's assignment in bankruptcy (and throughout the term of those contracts, including on their respective settlement dates). All of those forward contracts were entered into between EncoreFX and AgraCity subject to the credit facility provided by EncoreFX to AgraCity.

Affidavit of Gail Hoshowsky at paras. 12-13.

13. When a forward contract was in place, AgraCity had the right to draw down US funds at any time in order to satisfy its US dollar obligations to foreign suppliers.

Affidavit of Gail Hoshowsky at para. 14.

14. On June 1, 2020, AgraCity received an email from Marko Gordic, Manager, Transaction Advisory Services with Ernst & Young Inc., which attached a letter as well as a copy of this Court's Order dated April 28, 2020, authorizing the Trustee to disclaim any in the money contracts of EncoreFX. On July 7, 2020, AgraCity received another email from Mr. Gordic, which included three attachments:

(a) a spreadsheet purporting to set out the closeout position of AgraCity's ITM forward contracts with EncoreFX;

(b) a "Disclosure" document explaining the methodology used by the Trustee to close out in the money client transactions; and

(c) a Form 31 Proof of Claim.

Affidavit of Gail Hoshowsky at para. 16.

15. EncoreFX had obligations owing to AgraCity under the ITM forward contracts which the Trustee calculated to be $282,689.06. This was net of $314,564.20, which is the total of two payments made by EncoreFX to AgraCity's suppliers (which EncoreFX refers to as "Double-Dipping") that the Trustee had deducted from AgraCity's "Close out statement." If the two payments are added back in to the "Close out statement," AgraCity was "in-the-money" under its forward contracts in the amount of $597,253.25. Thus, AgraCity has sustained a significant loss as a result of the bankruptcy of EncoreFX and its failure to fulfill its obligations; it has not obtained a benefit.

Affidavit of Gail Hoshowsky at paras. 17-18.

16. In fact, the foregoing understates AgraCity's loss. As a result of EncoreFX's failure to fulfill its obligations under the forward contracts, AgraCity was forced to acquire currency to satisfy its US dollar obligations at exchange rates that resulted in additional cost to AgraCity of $787,342.75.

Affidavit of Gail Hoshowsky at paragraph 19.

Part 5: LEGAL BASIS

17. AgraCity relies upon subs. 97(3) of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3, s. 21 of the *Companies' Creditors Arrangement Act*, RSC 1985, c. C-36 ("*CCAA*"), and the doctrines of legal and equitable set-off.

18. The Monitor's Application against AgraCity raises the following issues:

(a) Whether AgraCity is entitled to set-off any amounts owed to EncoreFX as a result of the reversed fund transfers against the amounts owed to AgraCity by EncoreFX under the ITM contracts.

(b) Whether AgraCity has been unjustly enriched as a result of AgraCity's instruction to BMO to reverse the electronic fund transfers to Encore FX;

(a) AgraCity is entitled to set off any amount it owes to EncoreFX against the amount owed to AgraCity by EncoreFX under the ITM contracts.

19. AgraCity stipulates that, between March 25 and 27, 2020, it instructed EncoreFX to pay AgraCity's suppliers funds totaling $638,145.84. On March 30, when AgraCity could not confirm that any of these payments had been made, AgraCity instructed BMO to pull these funds back.

20. Subsequently, AgraCity confirmed that EncoreFX had paid $314,564.20 to AgraCity's vendors. As this amount was included in the funds pulled back by AgraCity, EncoreFX claims that AgraCity has "double dipped" and seeks an Order compelling AgraCity to repay this amount (the so-called "**Double Dip Amount**") to the Monitor of EncoreFX.

21. However, at the time that this debt of CAD $314,564.20 from AgraCity to EncoreFX arose, EncoreFX was also indebted to AgraCity under the ITM US currency contracts.

Affidavit of Gail Hoshowsky, para. 16.

22. The Trustee's calculation of the "settlement balance" for AgraCity's ITM forward contracts already claws back the $314,564.20 amount from AgraCity's unsecured claim. On July 7, 2020, the Trustee provided to AgraCity a "Close out statement" which sets out a "settlement balance" for AgraCity's ITM forward contracts. The net "settlement balance" as calculated by the Trustee is $282,689.06. In the Close out statement, the Trustee set off the amounts of $130,300 and $184,364.20 (which total $314,564.20), leaving a net "settlement balance" of $282,689.06. The Close out statement was provided to AgraCity along with a Form 31 – Proof of Claim. It appears that the net amount of AgraCity's unsecured claim, according to the Trustee, is $282,689.20, after accounting for the Trustee's $314,564.20 set-off claim.

Affidavit of Gail Hoshowsky, paras. 16-18 and Exhibit F.

23. By ignoring AgraCity's ITM contracts in its application to the Court, the Monitor has presented an incomplete picture of the transactions and respective obligations between AgraCity and EncoreFX.

24. AgraCity submits that it is entitled to rely upon the doctrine of legal set-off in response to EncoreFX's application to compel payment by AgraCity of $314,564.20. In the alternative, AgraCity relies upon equitable set-off. In either case, the amounts owed by EncoreFX to AgraCity greatly exceed the amount claimed by EncoreFX, and no amount is due by AgraCity to EncoreFX.

25. The law of set-off applies to all actions instituted by a trustee for the recovery of debts due to the bankrupt:

> 97(3) The law of set-off or compensation applies to all claims made against the estate of the bankrupt and also to all actions instituted by the trustee for the recovery of debts due to the bankrupt in the same manner and to the same extent as if the bankrupt were plaintiff or defendant, as the case may be, except

> in so far as any claim for set-off or compensation is affected by the provisions of this Act respecting frauds or fraudulent preferences.

Bankruptcy and Insolvency Act, s. 97(3).

26. The *CCAA* contains a provision to the same effect:

> 21 The law of set-off or compensation applies to all claims made against a debtor company and to all actions instituted by it for the recovery of debts due to the company in the same manner and to the same extent as if the company were plaintiff or defendant, as the case may be.

27. The bankrupt's estate includes only the net amount of a debt owing to the bankrupt after proper allowance for the common law right of set-off. The law of set-off allows a debtor of a bankrupt who is also a creditor of the bankrupt to refrain from paying the full debt owing to the estate, since it may be that the estate will only fulfil a portion, if that, of the bankrupt's debt.

Husky Oil Operations Ltd. v. Minister of National Revenue, 1995 CanLII 69 (SCC), [1995] 3 SCR 453 at para. 60.

28. The Supreme Court explained the law of set-off in *Telford v. Holt*, [1987] 2 S.C.R. 193 ["*Telford*"]. Set-off at law requires the existence of two conditions:

> 25 ... as was stated by the British Columbia Court of Appeal in *C.I.B.C. v. Tuckerr Indust. Inc.*, 1983 CanLII 302 (BC CA), [1983] 5 W.W.R. 602, at p. 604, statutory set-off (or set-off at law) "requires the fulfilment of two conditions. The first is that both obligations must be debts. The second is that both debts must be mutual cross obligations". The claim in this case is a debt. The major hurdle the appellant faces is the requirement of "mutuality".

Telford at para. 25.

29. The requirement of mutuality means that the debts each party owes the other must be for liquidated sums or monetary amounts that are readily ascertainable:

> 26 How has this mutuality requirement been interpreted by the courts? In *Royal Trust v. Holden* (1915), 1915 CanLII 374 (BC CA), 22 D.L.R. 660 (B.C.C.A.), the British Columbia Court of Appeal discussed the meaning of the phrase "mutual debts" at pp. 662-63:
>
> > The expression "mutual debts" is somewhat hard to understand according to the old cases, but when we see in the ancient and approved form of plea given in *Bullen* v. *Leake*, 3rd. ed., 682, viz.: --
> >
> > > That the plaintiff, at the commencement of the suit was and still is indebted to the defendant in an amount equal to the plaintiff's claim ...
> >
> > we are relieved to find that "mutual debts" mean practically debts due from either party to the other for liquidated sums, or money demands which can be ascertained with certainty at the time of pleading -- *per* Kennedy, L.J., in *Bennett* v. *White*, [1910] 2 K.B. at 648, 79 L.J.K.B. 1133. ...

Telford at para. 26.

30. The Supreme Court then explained that equitable set-off does not require mutuality:

> 27 The distinction between set-off at law and set-off in equity was canvassed by the British Columbia Court of Appeal in *C.I.B.C. v. Tuckerr Indust. Inc.*, *supra*, at p. 605:
>
> > Such a set-off has its origin in equity and does not rest on the statute of 1728. It can apply where mutuality is lost or never existed. It can apply where the cross obligations are not debts.
>
> Equitable set-off is available where there is a claim for a money sum whether liquidated or unliquidated: see *Aboussafy v. Abacus Cities Ltd.*, 1981 ABCA 136 (CanLII), [1981] 4 W.W.R. 660 (Alta. C.A.), at p. 666. More importantly in the context of this case, it is available where there has been an assignment. There is no requirement of mutuality. The authorities to be reviewed indicate that courts of equity had two rules regarding the effect of a notice of assignment on the right to set-off. First, an individual may set-off against the assignee a money sum which accrued and became due prior to the notice of assignment. And second, an individual may set-off against the assignee a money sum which arose out of the same contract or series of events which gave rise to the assigned money sum or was closely connected with that contract or series of events.

Telford at para. 27.

31. The conditions for legal set-off are satisfied here: both obligations are debts and they are mutual cross obligations.

32. The debt EncoreFX claims is $314,564.20, which represents the amounts paid by EncoreFX to AgraCity's overseas suppliers and is a portion of the electronic fund transfers ("**EFT**s") reversed by BMO upon AgraCity's instructions.

33. EncoreFX is also indebted to AgraCity pursuant to the ITM forward contracts AgraCity placed with EncoreFX. As the Affidavit of Gail Hoshowsky states, AgraCity could withdraw these funds from EncoreFX at any time. Accordingly, the ITM forward contracts were debts or liquidated demands due from EncoreFX to AgraCity.

34. Further, these debts were mutual cross obligations. The amounts EncoreFX and AgraCity owed each other were either liquidated sums or money demands that could be ascertained with certainty.

35. Thus, as AgraCity is entitled to claim legal set-off, AgraCity does not owe $314,564.20 to EncoreFX; in fact, the net amount EncoreFX owes to AgraCity as an unsecured creditor, according to the "Close out statement" is $282,689.06 (after the Trustee deducted the $314,564.20 that it now seeks to recover),.

36. In the alternative, AgraCity is entitled to rely upon equitable set-off. The amount owed by AgraCity to EncoreFX arises out of the same contract or series of events or is closely connected with the contract or series of events. In fact, both the international payments made by EncoreFX on AgraCity's behalf and the US dollar forward contracts were subject to EncoreFX's standard form "New Account Application" and its Master Terms and Conditions, which applied to all transactions between the EncoreFX and AgraCity. AgraCity entered into the PAD Agreement on August 3, 2018 with EncoreFX to facilitate EncoreFX providing services to AgraCity, but the PAD Agreement cannot be viewed in isolation from the larger business relationship between the parties.

37. AgraCity is entitled to set-off the amounts owed to it by EncoreFX under the ITM forward contracts, which greatly exceed the amount now claimed by the Monitor from AgraCity. Accordingly, no amount is owed by AgraCity to EncoreFX and the Order should be refused.

(b) AgraCity has not been unjustly enriched

38. The Monitor of EncoreFX alleges that AgraCity has been unjustly enriched as a result of AgraCity's instructions to BMO to reverse the electronic fund transfers.

39. As noted above, on about March 30, 2020, AgraCity directed BMO to reverse EFTs totalling $638,145.84 CAD, and such funds were returned to AgraCity's BMO account. However, AgraCity denies that it was enriched, unjustly or otherwise, as a result of this event.

40. Of the $638,145.84, $323,581.64 was not paid to AgraCity's suppliers and AgraCity had to pay those obligations by alternate means. Accordingly, there can be no question of an "enrichment" in respect of that sum.

41. As for the balance, $314,564.20, AgraCity acknowledges that its suppliers were paid this amount by EncoreFX. EncoreFX claims that AgraCity has "double dipped" by receiving the benefit of the payment while also pulling back the funds. However, a benefit obtained by AgraCity, and a corresponding detriment occasioned by EncoreFX, is not "unjust" if there exists a juridical basis for the "enrichment." In this case, as discussed in the preceding section, AgraCity was owed a significantly larger sum of money by EncoreFX as a result of the ITM forward contracts. AgraCity is entitled to set-off that debt against the amount it owes to EncoreFX – i.e., the supplier payments actually made by EncoreFX on AgraCity's behalf. Accordingly, AgraCity submits that it has not, in fact,

been "enriched" but, in any event, application of the doctrine of set-off provides a juridical reason for any enrichment.

Conclusion

42. For the foregoing reasons, AgraCity submits that this Honourable Court should decline to order that AgraCity has breached the stay of proceedings. In addition, the Court should not declare that AgraCity has been unjustly enriched, as AgraCity was entitled to claim legal or equitable set-off of the amounts owed by EncoreFX to AgraCity. As a result, the Court should decline to order that AgraCity must pay any amount to the Monitor.

Part 6: MATERIAL TO BE RELIED ON

1. Affidavit #1 of Gail Hoshowsky, made on April 20, 2021.
2. Such further materials as may be filed with this Honourable Court.

The Application Respondent estimates that the application will take 3 hours.

[ ] The application respondent has filed in this proceeding a document that contains the application respondent's address for service.

[x] The application respondent has not filed in this proceeding a document that contains an address for service.
The application respondent's ADDRESS FOR SERVICE is:
Miller Thomson LLP
Bank of Montreal Building
2103 – 11th Avenue, Regina, SK S4P 3Z8
Attention: Peter T. Bergbusch, Q.C.
Email: pbergbusch@millerthomson.com
Telephone: (306) 347-8328
Fax: (306) 347-8350

Date: April 20, 2021

Signature of Peter T. Bergbusch, Q.C.
MILLER THOMSON LLP
Lawyer for the Application Respondent,
AgraCity Crop & Nutrition Ltd.

Appendix G

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May 12, 2021

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

On May 11, 2021 at 3:00pm PDT, Ernst & Young Inc. (the "**Monitor**") conducted a meeting of creditors (the "**Meeting**") in the CCAA Proceedings of EncoreFX using the Microsoft Teams virtual meeting platform. The purpose of the Meeting was to consider and to vote on the Plan of Compromise and Arrangement filed on behalf of the Company dated April 6, 2021 and subsequently amended on April 27, 2021 (the "**Plan**"). The protocol for the meeting of creditors (the "**Protocol**") requires the Monitor to provide the creditors with a post meeting report in order to provide the following information:

1) A summary of all motions called at the meetings;
2) The result of the votes on each motion; and
3) Such further and other information as determined by the Chair to be necessary.

Creditors of EncoreFX were able to vote on the Plan by filing a Creditor Convenience Form or a Proxy and Voting Letter prior to 9am PDT on May 11, 2021 or by attending and voting at the Meeting. Pursuant to the Plan, creditors with general unsecured claims under $5,000, were deemed to have voted in favour of the Plan and not required to file a Creditor Convenience Form or a Proxy and Voting Letter with the Monitor for voting purposes.

A significant number of creditors voted on the Plan with 85% of the general unsecured creditors representing 89% of the proven general unsecured creditor claims voted or were deemed to have voted on the Plan. Similarly, 85% of the Property Claimants representing nearly 100% of the proven Property Claims voted on the Plan. The sole secured creditor also voted on the Plan.

Motion to Vote on the Plan

A motion to vote on the Plan was called. For the Plan to be approved, each of the three Affected Creditor classes (General Unsecured Creditors, Property Claimants and the Secured Creditor) was required to obtain the following majorities:

- The number of votes approving the Plan to exceed fifty percent (50%) of the total votes cast; and
- The total value of votes approving the Plan to exceed sixty-six and two-thirds percent (66 2/3%) of the total value of claims for which a vote was cast (collectively, the "**Requisite Majorities**").

The voting results of each Affected Creditor class is summarized on the following pages.

General Unsecured Creditors:

	General Unsecured Creditors			
	By Number		By Value	
Votes Cast	Amount	%	Amount	%
Approval:				
Convenience Creditors [1]	137	40%	$313,245	1%
Convenience Creditor Electors[2]	122	36%	$1,784,321	7%
General Unsecured Creditors [3]	78	23%	$23,055,162	92%
Total in Favour	337	99%	$25,152,728	100%
Against	1	1%	$19,818	0%
Total	**338**	**100%**	**$25,172,546**	**100%**

Notes:

1. The Amended Plan provided that the Affected Creditors with general unsecured claims equal to or less than $5,000 CAD (the "Convenience Creditors") were deemed to vote in favour of the Amended Plan.
2. Affected Creditors with general unsecured claims greater than $5,000 but less than $31,250 who filed a completed Convenience Creditor Form and elected the fixed distribution amount of $5,000 (qualifying as a Convenience Creditor) were deemed to have voted in favour of the Amended Plan. Note: The creditors who did not vote or who did not file a Creditor Convenience Form electing the fixed distribution amount of $5,000 will receive a distribution of 16% of their Proven Claim.
3. Consists of creditors with general unsecured claims greater than $31,250 and who voted either in person or by Proxy at the Meeting.

Disputed Claims

Three (3) proof of claims with total unproven general unsecured claims estimated at $18,155,336 CAD were disallowed or revised by the Trustee/Monitor and a notice of dispute or a notice of application has been filed (the "**Disputed Claims**"). None of the Disputed Claims filed a Proxy and Voting Letter to vote on the Plan. Consequently, the Disputed Claims do not impact the voting results of the General Unsecured Creditor class.

Vote Results: The General Unsecured Creditor class with 99% in number and 100% of total claim value have voted to approve the Plan. The Requisite Majorities for approval of the Plan by the General Unsecured Creditor Class has been obtained.

Property Claimants:

	Property Claimants			
	By Number		By Value	
Votes Cast	**Amount**	**%**	**Amount**	**%**
In Favour [1]	12	100%	$31,311,534	100%
Total in Favour	12	100%	$31,311,534	100%
Against	0	0%	$0	0%
Total	**12**	**100%**	**$31,311,534**	**100%**

1. Consists of Property Claimants who voted either personally or by Proxy at the Creditor's Meeting.

Vote Results: The Property Claimant class with 100% in number and 100% of total claim value have voted to approve the Plan. The Requisite Majorities for approval of the Plan by the Property Claimant class has been obtained.

Secured Creditor:

	Secured Creditor			
	By Number		By Value	
Votes Cast	**Amount**	**%**	**Amount**	**%**
In Favour [1]	1	100%	$35,887,159	100%
Total in Favour	1	100%	$35,887,159	100%
Against	0	0%	$0	0%
Total	**1**	**100%**	**$35,887,159**	**100%**

1. Consists of those voting by Proxy at the Meeting.

Vote Results: The Secured Creditor class with 100% in number and 100% of total claim value has voted to approve the Plan. The Requisite Majorities for approval of the Plan by the Secured Creditor class has been obtained.

Overall Voting Results

The Plan is approved by the creditors of EncoreFX as each of the Affected Creditor Classes (General Unsecured Creditors, Property Claimants and Secured Creditor) obtained the Requisite Majorities for the approval of the Plan.

Other Information and Next Steps

The Monitor will be bringing forward an application to the Court seeking an order to sanction the Plan on May 21, 2021.

The Monitor continues to work towards a final determination of whether or not the Disputed Claims are Proven Claims. Pursuant to the Plan, should the Disputed Claims not be resolved as at the Initial Distribution Date, the Monitor will be required to hold-back a reserve (the "**Disputed Claims Reserve**"). At this time, the Monitor is of the view that should a Disputed Claim Reserve be required or if the Disputed Claims are found to be Proven Claims that, the conditions for Plan Implementation can still be met.

Upon an order being granted by the Court and the conditions for Plan Implementation being met, the Plan will be implemented and the Initial Distribution to the Affected Creditors is estimated to be paid in or around late June 2021.

No other motions, other than the motion to adjourn the Meeting were called.

If you have any questions, please contact Mr. Jason Eckford directly at 1 (604) 648 3671 or at jason.eckford@parthenon.ey.com.

ERNST & YOUNG INC.
In its capacity as the Monitor of EncoreFX Inc.
and not in its personal or corporate capacity
Per:

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